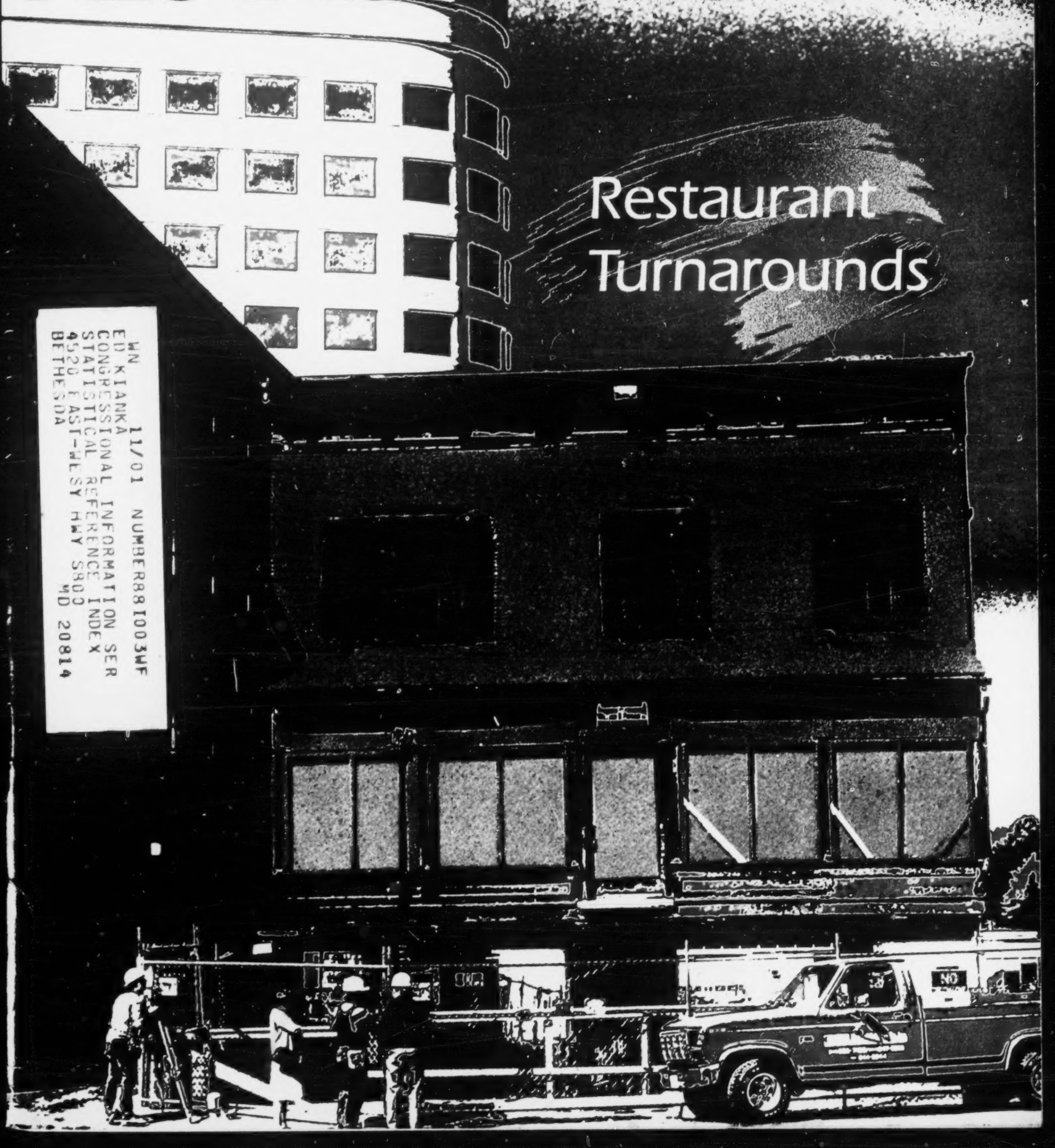
THE MONTHLY MAGAZINE OF THE NATIONAL RESTAURANT ASSOCIATION VOL. 8 NO. 10 NOVEMBER 1988

RESTAURANTS USA



Restaurant Turnarounds

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ASSOCIATION MEETINGS

SEMINARS

Basic Foodservice Courses

Dining Room Management

11/29	Austin, TX
11/30	Houston, TX
12/6	Newark, NJ
12/7	Philadelphia, PA
12/12	Tampa, FL
12/13	Miami, FL
1/24	Boston, MA
1/25	Hartford, CT
1/31	San Francisco, CA
2/1	Los Angeles, CA
2/7	Honolulu, HI
2/21	Rochester, NY
2/22	Pittsburgh, PA
2/28	Portland, OR
3/1	Seattle, WA
3/14	New York, NY
3/15	Burlington, VT

Kitchen Management

11/16	Newark, NJ
12/5	Los Angeles, CA
12/5	Dallas, TX
12/6	Riverside, CA
12/6	Austin, TX
1/23	Louisville, KY
1/24	Jacksonville, FL
1/30	Williamsburg, VA
2/1	Little Rock, AR
2/6	Minneapolis, MN
2/7	Milwaukee, WI
2/23	Savannah, GA
3/5	Shreveport, LA
3/6	Atlanta, GA
3/14	Detroit, MI

Foodservice Management Courses

Banquet Management

1/24	Orlando, FL
1/26	San Antonio, TX
2/7	Baltimore, MD
2/8	Charlotte, NC
3/7	Colorado Springs, CO

Food Cost Management

12/7	Minneapolis, MN
12/8	Chicago, IL
1/24	Orlando, FL
1/25	Atlanta, GA
2/7	Denver, CO
3/14	Berkshires, MA
3/16	Washington, DC
3/20	Pittsburgh, PA

Off-Premises Catering

11/29-30	Tampa, FL
1/24-25	Philadelphia, PA
2/6-7	Boston, MA
3/7-8	Louisville, KY
3/28-29	Tyson's Corner, VA

Planning Successful Buffets

12/12	Charlotte, NC
2/20	Orlando, FL
3/6	Burlingame, CA
3/7	San Diego, CA
3/20	Baltimore, MD

Profitability

11/16	Austin, TX
11/17	Dallas, TX
11/29	Charlotte, NC
1/25	Winnipeg, Manitoba
1/27	Toronto, Ontario
2/15	St. Louis, MO
2/16	Cincinnati, OH
3/21	Washington, DC
3/22	Buffalo, NY

The Educational Foundation of the National Restaurant Association has settled into its new office in Chicago. For information about the programs, contact:

Educational Foundation
of the National
Restaurant
Association
250 South Wacker Drive
Chicago, IL 60606

(312) 715-1010

If your company is interested in our in-house programs, call or write to the attention of Larry Fidel at the above address.

COURSES AND BOOKS AVAILABLE

Certification Courses
- Applied Foodservice Sanitation
- Applied Foodservice Purchasing
- Managing Quantity Food Production
- Management by Menu
- The Financial Ingredient in Foodservice Management
- Foodservice: A Managerial Approach
- Legal Aspects of Foodservice Management
- Foodservice Supervision: Achieving Success Through People

Self-Development Courses
- Protecting Restaurant Profits: Managing Security
- Effective Communication
- Managing People
- Restaurant Operations and Control
- Restaurant Purchasing
- Bar and Beverage Management
- Helping People Grow
- Service: Managing the Guest Experience

EXECUTIVE STUDY GROUP SERIES

Financial Officers
4/5-7 Orlando, FL

Food Purchasing Managers
5/18-19 Chicago, IL

Internal Auditors
3/14-15 Sanibel Island, FL

Labor Relations
2/16-17 Los Angeles, CA

Large Independent Operators
1/31-**2**/3 New Orleans, LA

Large Independent Operators
1/31-**2**/3 New Orleans, LA

Management Information Systems
4/18-21 San Antonio, TX

Marketing Executives
5/17-29 Chicago, IL

Multi-unit Architects, Engineers and Construction Officers (MAECO)
5/17-19 Chicago, IL

Quality Assurance
4/26-28 Cincinnati, OH

Safety Officers
1/18-20 Scottsdale, AZ

Tax Executives
4/5-7 Orlando, FL

For more information on specific study groups, contact: Philip Kralovec, (312) 853-2525.

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RESTAURANTS USA

VOL. 8 NO. 10 **NOVEMBER 1988**

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PRESIDENT'S REPORT

Jim L. Peterson, President and Chief Operating Officer
Whataburger, Inc., Corpus Christi, TX

Thanks for our legislative victories in 1988

The 100th Congress completed its business in Washington on October 22. In a session that featured an especially tough labor agenda, our efforts to stem attempts at government intervention were successful.

☐ The bill to raise the minimum hourly wage was set aside.

☐ Mandatory parental-leave legislation was set aside.

☐ Mandatory health-insurance legislation was set aside.

These bills were all scrapped during the session because of the pressure applied by you as active association members and by other pro-business advocates.

☐ We also convinced Congress this year to exempt most foodservice operators from the burdensome advance notice requirements of plant-closings legislation. With other American employers, we defeated a totally impracticable plan to make employers pay for medical monitoring of workers exposed to even small amounts of chemicals deemed hazardous.

☐ And we successfully fended off a surprise attack on the business-meal tax deduction. For these successes, thanks are due to the thousands of you who repeatedly responded to our "calls to action," blitzing Capitol Hill with cards, mailgrams, letters and phone calls that informed Congress about our side of the story.

We must look at our success as a foundation to be built upon for the future. We are certain to face many of these same battles again when the 101st Congress convenes in January.

PAC will distribute $400,000 to 160 candidates

The association's political action committee (PAC) made its influence felt in this year's congressional races. It will raise a record $400,000 for the two-year election cycle, and it will distribute those funds among the campaigns of more than 160 candidates. The PAC makes contributions to congressional candidates who support the foodservice industry's legislative concerns or who sit on committees important to our industry. Our ability to assist appropriate candidates through campaign support is another important tool in the association's government affairs efforts.

Come to the career symposium in January

Service industries all over the country are being faced with the disturbing labor-shortage problem, and our industry is no different. To help combat the problem, the association is sponsoring a landmark event, the Symposium on Career Opportunities in Foodservice, to be held in Washington on January 10, 1989. This meeting is your chance to find out what kinds of programs you can offer to attract specific types of workers. The conference will be attended by both foodservice operators and individuals representing various demographic groups, such as the Hispanic Policy Development Project, the National Urban League and the National Council on Aging. These representatives will talk about the particular needs of their constituents so you can attract workers by meeting their needs—whether in regard to hours, training or special benefits. Watch for the registration brochure, which is on its way to you.

AIDS video has helpful facts

As employers we must assume responsibility for educating our employees about AIDS. Employees need to understand that AIDS is not a foodborne disease and that there is no threat of contracting the disease in the normal working environment. Education based on facts is the way for a restaurant operator to avert an AIDS-related crisis in the workplace before it happens. The association's two-part video series, *The AIDS Issue*, can help you. It is available from the association's publications department at a nominal cost.

Monterey Wine Festival: March 12-14

In its third year of association sponsorship, the Monterey Wine Festival will take place on March 12-14 in Monterey, California. This event will be packed with educational programs to help you learn about wine and build sales in this profitable area. Also on the agenda are wine-tasting receptions and an ice-carving competition.

INFO '89 will also be held in Monterey

In conjunction with the festival, the 1989 INFO Conference will be held March 9-11 in Monterey. This conference is the only national conference designed exclusively for independent foodservice operators. The focus of INFO '89 is "Service: Your Survival Kit for the '90s." For more information about INFO '89, contact the Educational Foundation of the National Restaurant Association at (312) 715-1010.

Finally, it is my pleasure to welcome the 120 new members who joined the association in October. Your participation in the association will benefit your business and will make the association more effective.

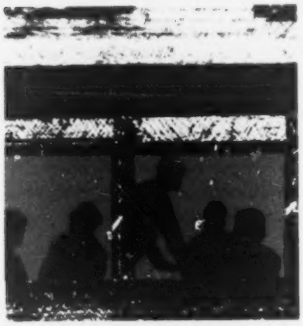
Sincerely,

Jim L Peterson

Jim L. Peterson
President and Chairman of the Board

RESTAURANTS USA

COVER STORY: RESTAURANT TURNAROUNDS

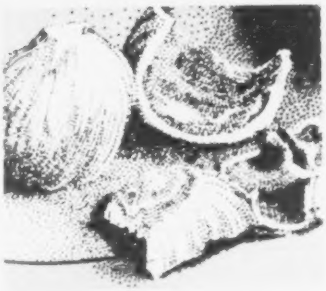


12 Attempting to turn around a failing restaurant requires quick and decisive action. Three restaurants that have undergone the turnaround process—with different results—are profiled here.

15 Building a winning team spirit
When Leonard Roberts joined Arby's Inc. in 1985 as its new president and chief executive officer, he brought with him a winning philosophy that spearheaded a dramatic turnaround in Arby's' fortunes—sales this year will reach $1.2 billion. Roberts shares his inspirational approach.

SPECIALS

8 1988 Public Affairs Conference
"Politics on the menu" was the theme of the association's fourth annual Public Affairs Conference, which drew more than 300 foodservice operators to Washington to discuss their concerns with legislators.



19 Food carts
They are mobile, flexible, affordable and innovative. Carts just might be the perfect marketing tool for your restaurant.

22 Hazelnuts—A nutty marketing idea
The hazelnut's full-bodied flavor can add pizzazz to any dish—from salads to desserts.

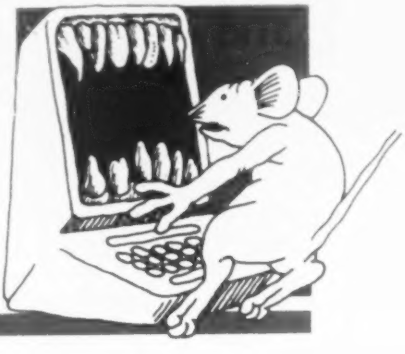
24 Finishing touches
Handcrafted items can become focal points in a restaurant, creating a distinctive ambiance customers will enjoy and remember.

26 Shuttering without shame
Every restaurateur is a dreamer, and working in his or her own restaurant is the dream come true. But a restaurateur must also be a pragmatist, and painful as it may be, closing a restaurant's doors for good is a reality that many entrepreneurs have had to face. Learning from these business failures can be the key to future successes.

30 Be gentle; it's my first PC!
This first-time buyer's guide to personal computers takes the fear out of "getting with the program."

36 Vinegars
With their piquant flavors and culinary versatility, vinegars are enjoying renewed attention in restaurant kitchens. The article includes recipes and a sidebar on how to make your own flavored vinegars.

28 Reflections on staying on top
Some of the nation's top restaurateurs share their "secrets of success"—how they have kept their restaurants fresh, exciting and profitable.



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Air-brushing by John Michael Yanson

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- ☐ Southern Comfort video
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- ☐ New York association awards scholarships

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SHORTORDERS

U.S. team sets world record in Frankfurt

The 1988 U.S. Culinary Team set a new world record by becoming the only national team in the history of the International Culinary Competition to win a gold medal in the prestigious hot food segment of the competition three times in a row. Manager Ferdinand Metz and captain Tim Ryan led national team members Mark Erickson, Hartmut Handke, Daniel Hugelier and Christopher Northmore to a third-place overall finish in the culinary "olympics." Switzerland and West Germany placed first and second.

A total of 1,000 chefs from 30 nations competed against the United States in this world-class culinary competition, held every four years in Frankfurt, West Germany. Chefs vied for gold, silver and bronze medals in four main areas of competition: cold food (show platters), hot food displayed cold, hot food, and pastries—a new category at this year's competition.

In addition to its first-place finish in the hot food competition, the U.S. Team placed second in cold food and second in pastries, missing out only in hot food displayed cold. All told, the American national and regional teams earned a combined total of 75 gold medals, 59 silver and 40 bronze.

The menu that earned the U.S. Team its gold medal consisted of three courses: Chesapeake Oyster Consomme; Napa Valley Squab with Lentils, Cabbage and Rye Turnovers; and the "Big Apple" Dessert with Kiln-Dried Cherry Sauce. The 1988 competition marks the first time that a pastry selection was included in the hot food competition.

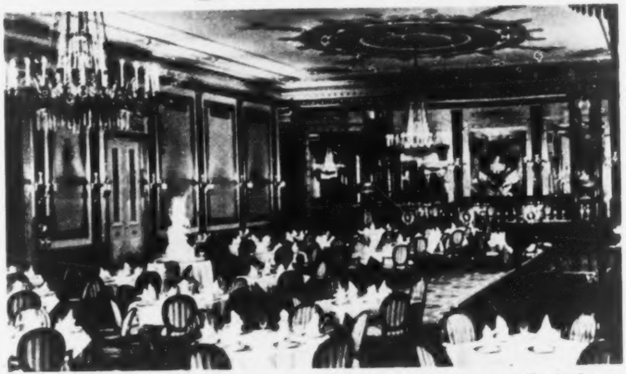
An expert team of international judges observed every step of the preparation process, carefully measuring labor intensity, time management, waste, efficiency and teamwork. When the meals were completed and ready to be served to the public, the U.S. Team's meals were sold out in a record time of six minutes.

The 1988 U.S. Culinary Team's participation in the "olympics" is made possible by the 1988 U.S. Culinary Team Foundation, operating under the auspices of the American Culinary Federation and the National Restaurant Association.

Southern Comfort video

The burgeoning home-video market has become a stage for marketing messages, including this one by Southern Comfort, which gives tips on how to entertain at home and indirectly promotes the company's product. "A Guide to Entertaining" outlines every step of coordinating a successful party, from the invitations and decorations to food-and-drink planning. A recipe book is included with the 70-minute program. Will programs like these encourage consumers to stay at home?

Hotel dining room judged "most elegant"



Hotel dining rooms are successfully returning to their heyday of popularity. In 1925, the Empire Room of Chicago's Palmer House was the epitome of splendid dining and dancing. Now a restoration project has restored the room—right down to its 24-karat-gold leaf and French-crystal chandeliers—and diners approve. Affluent readers of Chicago's suburban newspapers voted the Empire Room the "most elegant" area restaurant in a recent contest.

New York association awards scholarships

The New York State Restaurant Association (NYSRA) presented two $1,000 scholarship awards at its annual meeting in October in Rochester, New York. Many of the New York chapters award their own scholarships, but this is the first year scholarships were awarded statewide.

To be eligible for the program, an applicant must be sponsored by a NYSRA member and be enrolled in a culinary-arts or restaurant-management program sponsored by a New York state school of higher learning. Winners are selected on the basis of their interest, experience, recommendations, talent and goal objectives.

Both of this year's recipients—Margaret Wyland-Block of Penfield and Richard Donahue of Syracuse—will use their scholarships to study foodservice administration at community colleges.

Harmful labor legislation halted

The intense grassroots lobbying efforts of the National Restaurant Association and other organizations helped block damaging legislation from becoming law this year. The time-pressed 100th Congress adjourned October 21 without passing the bulk of the aggressive labor agenda brought before it in 1988.

"Our voice has been heard," says National Restaurant Association President Jim Peterson. "But we had to speak loudly, make good arguments and show political muscle to prove that these bills were unfair and unnecessary."

Among the hotly contested bills that failed passage by the 100th Congress were proposals to raise the minimum wage, to require parental leave for workers and to mandate employer-provided health benefits. A key bill dealing with occupational risk notification also failed to make it through.

Minimum-wage issue dead for 1988

Warding off an increase in the minimum hourly wage has been a top priority for the association since legislation was first introduced by Sen. Edward Kennedy (D-MA) and Rep. Gus Hawkins (D-CA) in March 1987. The most recent form of the House bill, H.R. 1834, called for an increase in the minimum wage from its current $3.35 to $5.05 in 1992. The Senate bill, S. 837, would have raised the minimum by 40 cents a year for three years, reaching $4.55 in 1991.

Both bills appeared stalled this summer, until Vice President George Bush unexpectedly announced that he backed a small wage increase coupled with a training wage for new hires. Encouraged proponents of the bill were then able to bring the legislation to the Senate floor, with the House resolving to take up its version following Senate action.

After five days of Senate-floor debate that resulted in little but partisan gridlock, however, Democratic senators removed the bill from consideration.

Early in the minimum-wage debate, the National Restaurant Association compiled existing economic opinion on the issue, showing that an increase in the minimum wage would actually hurt the people it intends to help, by reducing job opportunities for entry-level workers.

Armed with this information, association members sent more than 100,000 messages to their congressional representatives, urging them to preserve job opportunities by opposing a minimum-wage increase. Groups of restaurateurs held more than 500 face-to-face meetings with their representatives, and on the day the Senate set aside the bill, more than 300 restaurant operators were in Washington, DC, to lobby their senators and representatives against a wage increase.

Parental leave dropped

Restaurateurs and other employers launched a similar grassroots lobbying campaign against mandated parental and medical leave. The House and Senate versions of parental-leave legislation would have required employees to provide 10 weeks of parental leave every two years and up to 15 weeks of medical leave annually.

Arguing that the federal government should not interfere with employer-employee relationships by mandating specific benefits, association members by the thousands contacted their Capitol Hill representatives to lobby against the bill. On October 7, less than two weeks after setting aside minimum-wage legislation, the Senate dropped parental leave from its agenda, after it became apparent the bill would be subjected to many unrelated amendments and that attempts to limit the length of debate would be unsuccessful.

Benefits slate fails

Mandated-health-benefits proposals (S. 1265, H.R. 2508) that surfaced in the 100th Congress would have required employers to provide a minimum package of health benefits to (1) all employees working more than 17½ hours a week and (2) their dependents. The National Restaurant Association estimated the proposal would cost employers an additional $1.31 per hour for employees working the industry average of 26 hours per week.

Many private businesses, it argued, simply could not afford to absorb these added costs.

Pressure from the association and other groups representing small businesses caused the bill to stall indefinitely in the House, not even making it through committee.

Risk notification act warded off

Another labor-supported initiative in the 100th Congress was the "High Risk Occupational Disease Notification and Prevention Act," a bill that would have imposed obligations on employers for employees who might be or might have been exposed to substances alleged to be hazardous. In some instances, the bill would have required employers to pay for medical monitoring for employees exposed during employment by another company.

The National Restaurant Association's members again joined forces, telling congressional representatives that despite its good intent, the risk notification act would create needless anxiety for many workers and unjustified legal liability for employers. The cost of providing medical surveillance for employees exposed while on previous jobs could break small businesses, the association pointed out.

Although the bill passed in the House, it was withdrawn from the Senate after four separate votes failed to halt a filibuster.

Challenges to arise again next year

"As each piece of legislation was introduced, our members responded in overwhelming numbers," Peterson notes. "Without these grassroots efforts, it is doubtful that any of these harmful bills, let alone all of them, would have been blocked."

Peterson cautions, however, that the fight against government intervention in businesses is not over. "There is no doubt that labor will be back again next year with many of the same proposals," he notes. "We will again need the participation of all members if we are to repeat the successes of 1988."

Sens. Alan Simpson (R-WY) and David Boren (D-OK) led off the association's fourth annual Public Affairs Conference with their discussions of congressional minimum-wage, parental-leave, immigration and business-meal-deductibility proposals. Simpson, chief architect of the Immigration Reform and Control Act of 1986, listened to restaurateurs' concerns about labor shortages and paperwork problems with the new immigration law. "The burden is on employers to let legislators know if they are experiencing labor shortages as a result of the new law," Simpson told the more than 300 foodservice operators in the audience.

POLITICS
ON
YOUR MENU
NATIONAL
RESTAURANT
ASSOCIATION

President Jim Peterson opened the conference. ▶

PUBLIC
AFFAIRS
CONFERENCE
NATIONAL
RESTAURANT
ASSOCIATION

Chairman of the conference ▲ Bob Wood told attendees what events were in store for them.

In the audience and at the lectern, Tom Kershaw, vice chairman of the conference, contributed his perspective. ▲

Betty-Coe de Broekert, executive vice president of the Oregon Restaurant and Hospitality Association, said, "We are going to set up a conference on the state level modeled on this conference." ▲

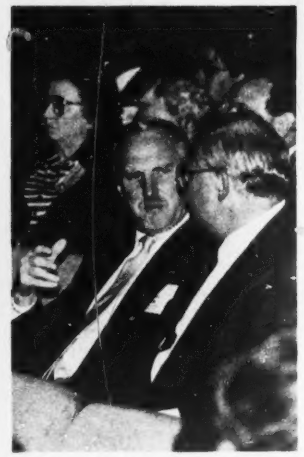
NATIONAL
RESTAURANT
ASSOCIATION

Arnold Hewes, executive vice president of the Minnesota Restaurant Association, told of the results of his meetings with his members of Congress. ▼

◀**Sen. Tom Harkin (D-IA) applauded association members for their active involvement in legislative issues.**

Mississippi Restaurant Association President Bill Latham and the rest of the Mississippi delegation listened attentively to Rep. Trent Lott (R-MS). ▼

Sen. David Boren (D-OK) discussed economic issues with restaurateurs. ▲



A break between speakers gave Gerard Pain (La Chaumiere, Washington, DC) and Tom Rouland, executive vice president of the Restaurant Association of Metropolitan Washington, a chance to talk business. ▲

There was plenty of give-and-take at the conference. Participants posed such questions as how to safeguard the business-meal tax deduction. ▼

Sen. Tom Harkin (D-IA) opened up the second day of the "politics on the menu" program with a prediction that parental-leave and minimum-wage legislation will return in the next session of Congress. Harkin, the Senate sponsor of an association-backed amendment to increase the tip credit to 50 percent, emphasized the importance of grassroots lobbying and letter-writing campaigns to keep the pressure on legislators.

Rep. Bill Frenzel (R-MN), the U.S. House tax expert, echoed Harkin's advice on communicating with members of Congress. He advised restaurateurs to take the offensive on the business-meal-deductibility issue, warning that in the face of a large budget deficit, few revenue-raising measures are off limits. Frenzel urged foodservice operators to show members of Congress "that the business meal is a reasonable cost of doing business."

After a legislative briefing by association staff, which included a viewing of the association's new video that describes how to become more politically active on the grassroots level, conferees met with their senators and representatives during the "congressional visit" portion of the program. With only several weeks remaining before Congress adjourned for the year, foodservice operators had a well-timed opportunity to talk to legislators about how each piece of legislation would affect their businesses. Eleven state delegations managed to visit all of their members of Congress.

Fred Barnes and Morton Kondracke, senior editors of the *New Republic*, switched the conference's focus to the upcoming presidential election. The conservative and liberal pair debated the merits and shortcomings of the presidential candidates. And the Capitol Steps, a troupe of congressional staffers, added a light touch to the conference with their musical revue satirizing political life in Washington.

POLITICS
ON
MEN

The conference was a plain-spoken event. More than one senator felt himself on the line. Sen. Alan Simpson (R-WY), sponsor of the 1986 immigration law, answered many questions from restaurateurs experiencing a labor crunch.

Association executive vice president Bill Fisher greeted Sen. Ted Kennedy (D-MA) at the Chef d'Oeuvre reception.

The Louisiana delegation, one of the largest at the conference, was instrumental in persuading Sen. John Breaux (D-LA) to vote "no" to cutting off debate on the parental-leave bill.

Chef d'Oeuvre

The Prime Rib

The Prime Rib pleased reception-goers' palates with its well-known lobster bisque.

Members of the Pennsylvania delegation gathered around Rep. Bill Goodling (R-PA), future minority leader of the House Education and Labor Committee, to talk about the labor agenda in the next session of Congress.

After two days of meetings and speeches, the Sixth Annual Chef d'Oeuvre Reception, held in conjunction with the Public Affairs Conference, gave restaurateurs the opportunity to meet with their legislators in a relaxed and elegant setting. More than 220 legislators joined the conference attendees at the gala reception, including Sen. Edward Kennedy (D-MA).

Eight of Washington's premier restaurants hosted the reception, providing their specialties ranging from beef tenderloin on rolls to blue cornmeal waffles with crab and corn salsa.

In a letter of thanks to the National Restaurant Association, Rep. James Inhofe (R-OK) said Chef d'Oeuvre "was truly one of the most outstanding events we have had the opportunity to participate in since coming to Washington."

Participating restaurants and their specialties

Maison Blanche: *Marquise au Chocolate*
Mr. K's: *Batter-dipped king crab*
Morton's: *Beef tenderloin on bread with sauces*
Old Ebbitt Grill: *Oysters and clams on the half shell; spiced shrimp cocktail*
Prime Plus: *Blue cornmeal waffles with crab and corn salsa; Indian pudding with clove ice cream; smoked free-range chicken salad*
The Prime Rib: *Lobster bisque*
Taverna Cretekou: *Roast leg of lamb; eggplant imam; spinach pies; octopus salad; tzatziki; dolmadakia; soutzoukakia*
The Watergate: *Smoked salmon fillets with sauces; artichoke hearts with shrimp salad; duck pate on brioche with pistachios and mushrooms*

Conference sponsor

The National Restaurant Association's Congressional Leadership Forum (CLF) again funded this year's Public Affairs Conference. The purpose of the CLF, the political education program of the association's Government Relations Department, is to educate members of Congress about the issues that most concern the foodservice industry and to educate association members about Congress. Contributions from the corporate captains of the foodservice industry make the many CLF activities possible.

For more information about how your company can join the Congressional Leadership Forum, call the Political Affairs office at 1-800-424-5156.

National Restaurant Association President Jim L. Peterson presents the Vermont Lodging and Restaurant Association Award to John Pitcheos of Killington Resorts in Vermont. Peterson was recently a special guest at "A Taste of Vermont," an annual chefs' competition and culinary event.

Fall board meeting report

The National Restaurant Association's Board of Directors met in Washington, DC, immediately prior to the fourth annual Public Affairs Conference. At the board meeting, association president Jim L. Peterson announced the association will be hosting what he termed a "daring " event—the Symposium on Career Opportunities in Foodservice, to be held January 10, 1989, at the Mayflower Hotel in Washington.

This conference will be attended both by foodservice operators and by individuals representing demographic groups most likely to supply future employees, such as the Hispanic Policy Development Project, the National Urban League and the National Council on Aging. Also in attendance will be representatives from the American Vocational Association and the American Association for Counseling and Development—the educators who advise and train people for employment.

Each group in attendance will have an opportunity to share positive experiences regarding employment in foodservice and to "air grievances"—to discuss their problems and to voice their needs. Model programs developed by the industry to attract and accommodate members of these groups will be examined.

"The concept is daring," Peterson told the association's board. "No doubt we will hear some things we won't like. And certainly some attendees will be surprised when we tell them our story. But from all this can only come greater knowledge and greater understanding—light, not heat."

Other business discussed at the fall board meeting included:

☐ **Alcohol awareness.** A specially designated task force on alcohol awareness made the following report to the board: 1) association staff will investigate association encouragement of state laws punishing makers and users of false identification for alcoholic-beverage-purchase purposes, 2) staff will investigate furthering state laws calling for revocation of driver's licenses of individuals caught operating a vehicle while under the influence of alcohol, 3) staff will develop a videotape for in-house alcohol-awareness training programs, and 4) staff will investigate ways the association can contribute to alcohol-education programs for teenagers.

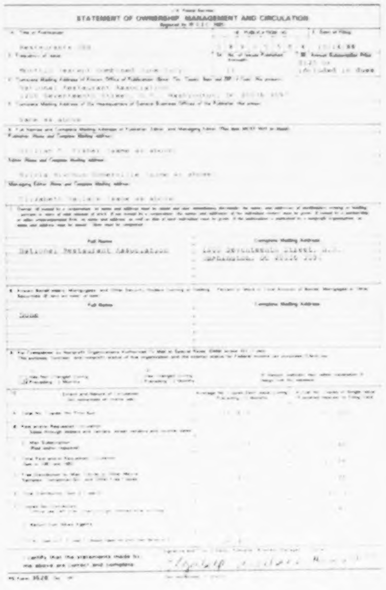
☐ **Communications.** The association's staff is continuing its program to offer media training sessions for board members. Twenty-one directors have been trained thus far. The staff is also planning a presentation on how to effectively manage state association public relations for a November conference of the International Society of Restaurant Association Executives (ISRAE) in Boston and is organizing the Symposium on Career Opportunities in Foodservice in conjunction with the Industry Image/Human Resources Task Force.

☐ **Government affairs.** The board reaffirmed its policy of opposing any minimum-wage increase but favored a training-wage amendment and a tip-credit increase. The board also resolved to step up association efforts to protect the business-meal tax deduction, directing staff to devise a program outlining the economic effect of the current 80 percent deductiblity. Last, the board voted against supporting a House bill that provides monetary incentives to states with tough drunk-driving laws, because many members believe the federal government should not intrude on state and local alcohol regulations.

☐ **State relations.** More than 200 new Key Contacts have been added to the association's grassroots lobbying program, bringing the number of Key Contacts to more than 600. A grassroots videotape, entitled "Politics on Your Menu," has been produced to encourage member lobbying. Since January, more than 300 grassroots meetings have been held between restaurateurs and their members of Congress at the district level or in Washington.

—Anne Papa

Board members played a key role at the association's 1988 Public Affairs Conference. Conference chairman Bob Wood and vice president Bud Rusitzky discuss the program.



STATEMENT OF OWNERSHIP, MANAGEMENT AND CIRCULATION

Same as above

I certify that the statements made by me above are correct and complete

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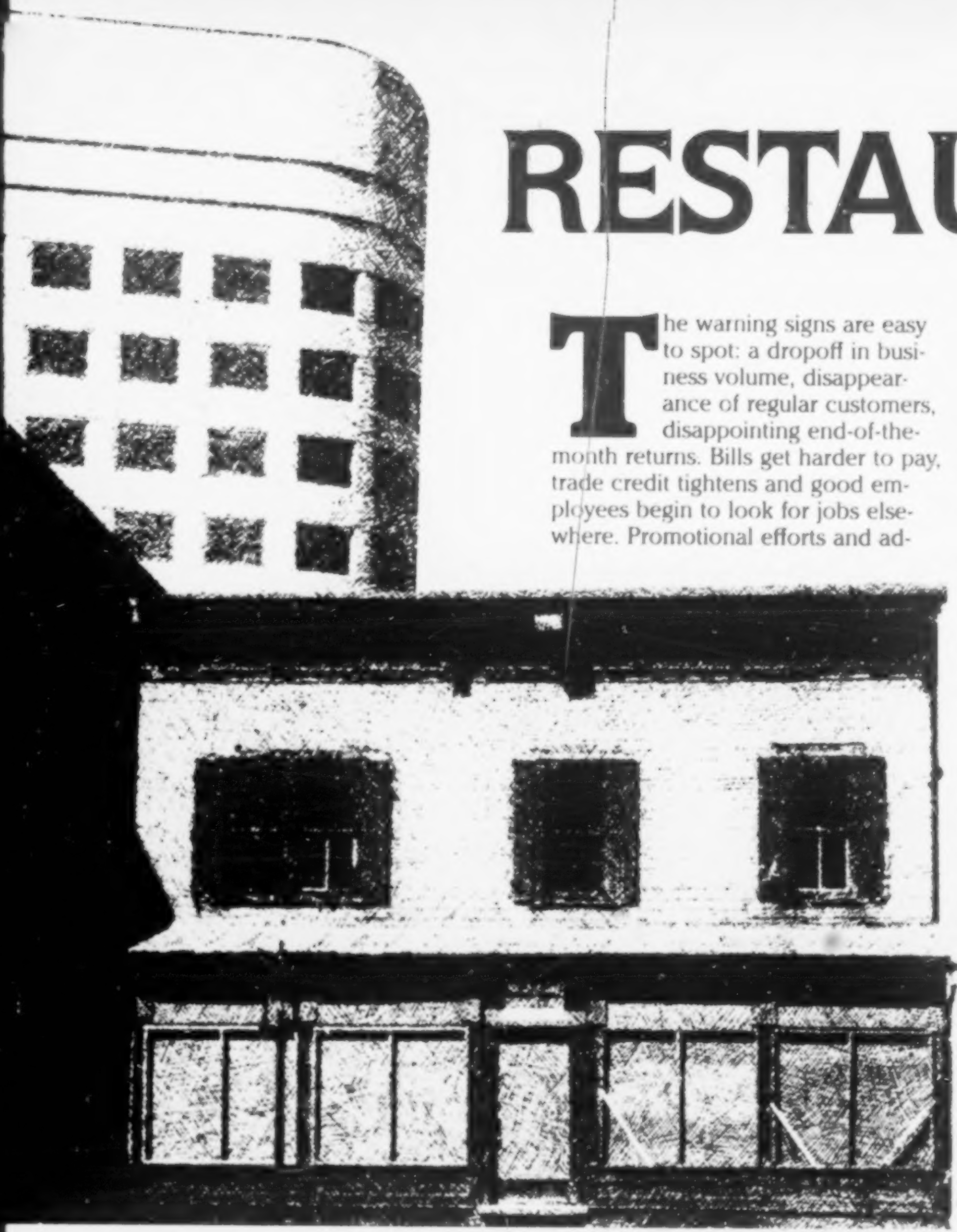

RESTAURANT

by Jenny Cashman

"It's not the location that fails; it's the concept that fails."

The warning signs are easy to spot: a dropoff in business volume, disappearance of regular customers, disappointing end-of-the-month returns. Bills get harder to pay, trade credit tightens and good employees begin to look for jobs elsewhere. Promotional efforts and advertising only seem to drain the cash resources of the restaurant, rather than bring customers to the table. The business is at least in a slump, and it may well be on the skids.

Early recognition

Restaurant owners are sometimes the last to admit that their establishments are not meeting their expectations or bringing in enough profit to pay the bills. Often the restaurant represents the manifestation of long-cherished dreams, and it is hard to let go of the vision or change it if necessary to make it fit the market.

"You have to look at it unemotionally. What you like may not be what the customers want," says Bonnie Rotenberg, president of Restaurant Brokers of America (Boston). Her firm, which specializes in the selling and appraisal of restaurants as well as management consulting and personnel placement, has been involved in hundreds of appraisals and consulting situations in the industry. "I can't stress enough that the reason many people get into trouble is that they won't let go of their preconceived concept. If they would just distance themselves and let go of their emotions [about the restaurant], let go of their pride and joy, they could change it to something else."

A classic example of a successful turnaround is the Fog City Diner in San Francisco. Opened in June 1985, in a building where three restaurants had come and gone, the diner became and stayed a success, with more than 50 percent of its business coming from regulars.

Why had the previous restaurants failed? "It's not the location that fails; it's the concept that fails," explains Bill Upson, a partner in Real Restaurants, the company that owns the diner. "Most restaurateurs aren't flexible enough, don't adjust to the needs of the customers."

Although the site is on a triangular lot near the financial district with no surrounding buildings, the building "looked like an army barracks" until Real Restaurants moved in. "We created something that was unique and identifiable, visually stunning—'a diner for today,' a diner that was not a retrofit, not something playing off nostalgia," adds Bill Higgins, another partner in the business.

The partners created a very rich-looking interior: finished in hardwoods and mahoganies, wood booths (15) with fabric-covered cushioned seats, hex tile on the floor and hand-blown sconces made of glass and brass. And then they topped off the redesign with a kinetic menu that changes every month but includes

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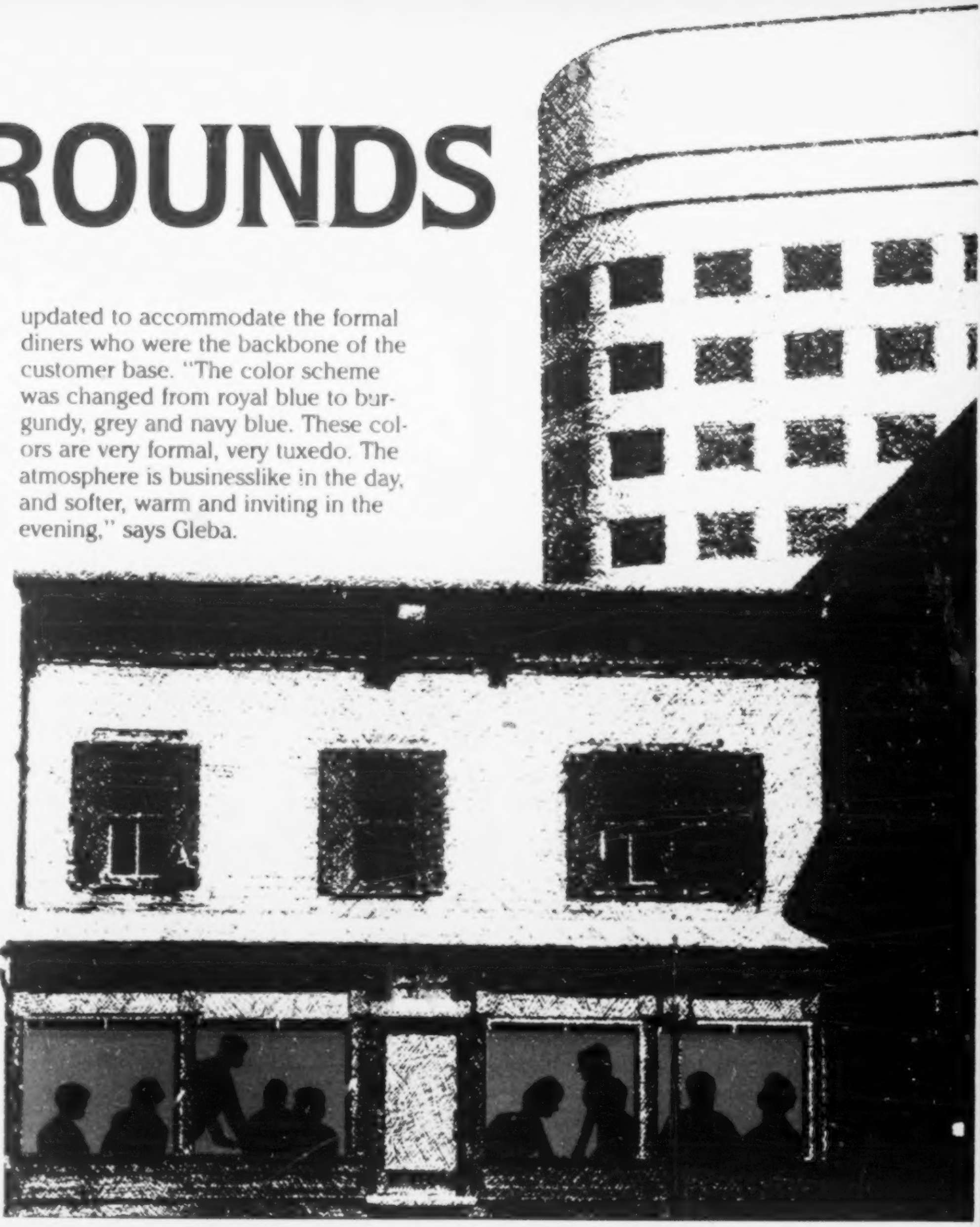
Jenny Cashman is a freelance writer in Idyllwild, California.

TURNAROUNDS



such signature items as the garlic custard with shiitake mushrooms, pasilla peppers with five cheeses and avocado salsa, and crab cakes developed under the creative direction of partner Cindy Pawlcyn.

"It was an obvious thing that had to happen. San Francisco had never seen a diner before," says Higgins.

A concept can be changed

It is not always necessary to start from scratch, of course. Some concepts can be reworked. After a period of lackluster performance, The Tower restaurant, a 23-year-old establishment on the 32nd floor of the TransAmerica Building in the heart of downtown Los Angeles, has experienced a turnaround.

"Two decades ago, the restaurant was famous for its hospitality. The manager, Raymond Andrieux, was so amiable with customers, it was a given that he would come and sit at your table," explains William A. Gleba, the restaurant's new manager.

Andrieux ran the restaurant for TransAmerica for 18 years. After his death, a management company was brought in to run things. "When you bring in a corporate structure, the human element is often lost. It can become institutional," muses Gleba. After a year and a half of slow attrition in customer counts, another management company was brought in for a year—but again with no success.

Finally, TransAmerica hired the Marriott Corporation, which handed the turnaround challenge to Gleba, who has been involved with four other turnarounds—restaurants, hotels and country clubs on the verge of bankruptcy. Gleba decided "to bring it back to its Old-World flair." The restaurant had been offering classic French fare for years, which Gleba decided was a mistake. "The eating public doesn't like the heavy sauces and creams of French cuisine," he noted. So, with new chef Michael Casey, the menu was revised in favor of lighter offerings.

At the same time, the decor was updated to accommodate the formal diners who were the backbone of the customer base. "The color scheme was changed from royal blue to burgundy, grey and navy blue. These colors are very formal, very tuxedo. The atmosphere is businesslike in the day, and softer, warm and inviting in the evening," says Gleba.

The seating arrangements were also changed. Some tables had been on a raised floor area. "No one wanted to sit there; they felt on display," notes Gleba. So he cut into that area and put in private booths. Two private dining rooms were added—one holding up to six people; the other up to 12. Since 90 percent of the restaurant's clientele is there to conduct business, these booths also provided a place for business lunches. Cordless telephones were added so phones could be brought to any table.

The makeover was done in stages and completed in less than three months, thanks to around-the-clock work in some instances. The restaurant was closed five weeks for the final makeover.

Finally, music was added. "First, we added a piano player at lunch; but the piano was a little too loud, so we went to the harp," says Gleba. "The ambiance was much more relaxed."

For dinner entertainment, a piano player was brought in Tuesday through Saturday, to make it "the place to come for that special occasion. Dinner is a challenge for us. When they leave the downtown area, it's hard to bring them back in," says Gleba.

"Our location is our obstacle," he explains. People worry about the safety of downtown. "This is one of the most secure buildings in Los Angeles. There are guards posted on the 30th floor with binoculars, and foot patrols in the area. We offer free valet parking. People need to be educated that they are safe if they come here."

To tell people that the restaurant had changed, Gleba changed the logo and hired a top-notch public relations firm, which began an advertising campaign. Gleba also planned a cocktail party, sending invitations to 700 CEOs, presidents, owners and managers of local businesses to introduce this target market to the new Tower restaurant.

Since the restaurant reopened in mid-July, dinner business has increased 20 percent and lunch 30 percent.

San Francisco's Fog City Diner has enjoyed success since its 1985 opening, despite the fact that three previous restaurants had failed at the same site.

Future promotional efforts will include using a helipad on the roof as an attraction and planning a special package offering "the ultimate dining experience"—limo service to an airport, a helicopter ride to the restaurant, dinner and wine, and then a return trip the same way.

"We want all of our guests to feel special. We want them to feel invited," says Gleba.

Not every turnaround works

You can do everything right toward a major turnaround and still come up short in the financial analysis. It is important to know when to give up on an idea—when to accept the reality that the restaurant is simply not paying its way.

Leslie and Andy Reis, a chef/business team (who have successfully positioned Cafe Provencal as a destination restaurant in the Chicago area), reluctantly closed the doors on Bodega Bay and Leslie's—a two-restaurant combination in Evanston, Illinois, this fall.

Leslie's was opened in 1981-82 to offer a casual, upscale coffee shop to the Evanston area, complete with jazz piano bar. By 1983-84 it was clear the restaurant was not working up to its potential, so the owners reevaluated their position. "We did some focus groups and discovered we weren't anybody's first choice," explains Andy Reis. So they revamped the menu toward a more contemporary selection, offering seafood and pasta in addition to more traditional fare.

Then in 1987 they converted the back banquet room into another restaurant, Bodega Bay, "to produce a fun, adventurous place, a high-style cafe." The red velvet, dark wood and crystal chandeliers gave way to a warm, California-Southwest decor: aqua and peach colors, navaho rugs and big urns. In January 1988 the restaurant began featuring the cuisine of one country each month, with flags and posters complementing the "globetrotting-gourmet" theme.

The food was light, spicy, eclectic, crossing the lines of Italian, Chinese, Thai and other ethnic foods. Dishes included Jamaican jerk chicken, Indonesian shrimp salad, and Oriental pork with noodles. "It was real gutsy-flavored food, not tied to any one cuisine," explains Leslie Reis. "Sort of a fantasy, a fun way to explore all foods and not have any boundaries."

A tasting bar allowed for "grazing," with an ever-changing menu, including such favorites as *Sesame Spinach, Shrimp with Pistachio Sauce* and *Kalamari Salad with Basil and Mint.* Great care was taken with the beer list, which offered 25 of the world's best. The jazz music featured top-name artists: John Campbell, Kelly Brand, Kelly Sill, John Hickey, Fred Simon, Joel Spencer.

For a while, the turnaround took, and the restaurant was a hit. The *Chicago Tribune* gave the restaurants three-star ratings, and the first year they did $2 million in sales. But the second year they were beset with problems. The food was still great, the service still met with compliments, but costs increased and external factors ate away at profits.

"We were doing just fine until the Dow Jones went down 500 points last year," notes Andy Reis. "Twelve months ago we did have the restaurant turned around. This year we have never put down better food, never gotten more compliments or had more disappointing sales."

With a decline in business clientele, a harsh winter and an equally uncomfortable summer, the volume of customers coming to the restaurant didn't meet expectations or needs.

To make matters worse, new federal and local liquor taxes raised costs on drinks, costs that the owners felt could not be totally passed along to customers. So Bodega Bay and Leslie's closed their doors.

Turnaround steps

There is no instant cure-all for a restaurant in trouble, no sure-fire strategy that will make for an effective turnaround. But there are steps that can help swing the pendulum in a restaurant's favor. The first step is to recognize the need for change.

Other points to consider:

☐ Evaluate the restaurant from multiple viewpoints

☐ Listen to your customers

☐ Give up on preconceived ideas

☐ Rework the concept to fit your market.

Turnaround case history

Building a Winning Team Spirit

From 1982 through 1985, Arby's experienced flat to declining sales and profits. Finally, in 1986, things started to go in the right direction for Arby's. In fact, 1986 and 1987 represented back-to-back years of record sales growth, profitability and new-restaurant openings. Arby's is currently having a truly awesome year, and we will end 1988 with the very best performance in its 25-year history.

For the first eight months of 1988, Arby's' systemwide sales rose 20 percent. This compares with a growth of 6 percent for the industry as a whole. Sales this year will reach $1.2 billion. Most of Arby's major markets are currently posting some of the highest comparable sales growths in their history—comparable growth in excess of 15 percent!

Arby's' is currently forecasting a year-end systemwide comparable sales growth of about 8 percent. And finally, at the end of the third quarter in September, Arby's marked the ninth straight quarter of double-digit profit growth.

by Leonard H. Roberts

Obviously, I'm very proud of Arby's' record, proud of our turnaround. I think back to the time when I made the decision to join Arby's. I would like to tell you that story.

The move to Arby's

I started with Arby's in 1985, the easy way. That is, I started as Arby's' president and chief executive officer—and I have been stuck at that level ever since . . . with absolutely no potential for upward mobility! Seriously, after 11 years with Ralston Purina, and after managing several different operating companies within this multi-billion dollar conglomerate, I finally decided to break away from the umbilical cord afforded by a large mega-corporation like Ralston Purina. I decided to do my own thing, to start my own business.

So starting in late 1984, and into 1985, I was heavily involved in negotiating a "friendly" leveraged buyout of one of Ralston's divisions . . . its foodservice operation.

During that time, coincidentally, I was contacted by several executives from the D.W.G. Corporation, the holding company and parent of the Arby's Corporation.

The D.W.G. folks wanted me to take over the management of Arby's as its president and C.E.O. They made the offer about five times during a three-month period in early 1985, and I declined the offer each and every time.

I wasn't holding out for a better deal. I declined because I simply wanted to do my own thing. Also, the D.W.G. folks painted a picture of Arby's that portrayed it as a highly successful, smooth-running, energetic company that simply needed a chief custodian. Believe me, being chief custodian of a smooth-running company just didn't interest me.

A dinner to remember

Well, to continue the story, on June 5, 1985—and I'll never forget the date—I was invited to have dinner in Chicago with several business associates. When I arrived at the dinner table, I was surprised to learn that owners of several large Arby's franchises were at the table. This was a pure coincidence; these Arby's franchisees had no idea I had been offered and had turned down the C.E.O. position with Arby's.

After a couple of glasses of wine, the franchisees led the dinner conversation to Arby's. Well into this discussion, the picture that emerged of Arby's was quite different from the one previously painted for me. Arby's wasn't a smooth-running enterprise but rather, and I quote, "A constipated bureaucratic organization managed by a group of egomaniacs who had developed a complacency for people and an affinity for mediocrity."

Turf-guarding by the corporate hierarchy was the culture. People in the home office were preoccupied with

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Leonard Roberts is president and chief executive officer of Arby's Inc. in Atlanta, Georgia. This viewpoint is excerpted from a speech he delivered at the MUFSO (Multi-Unit Foodservice Operators) Conference in Washington, DC, in October.

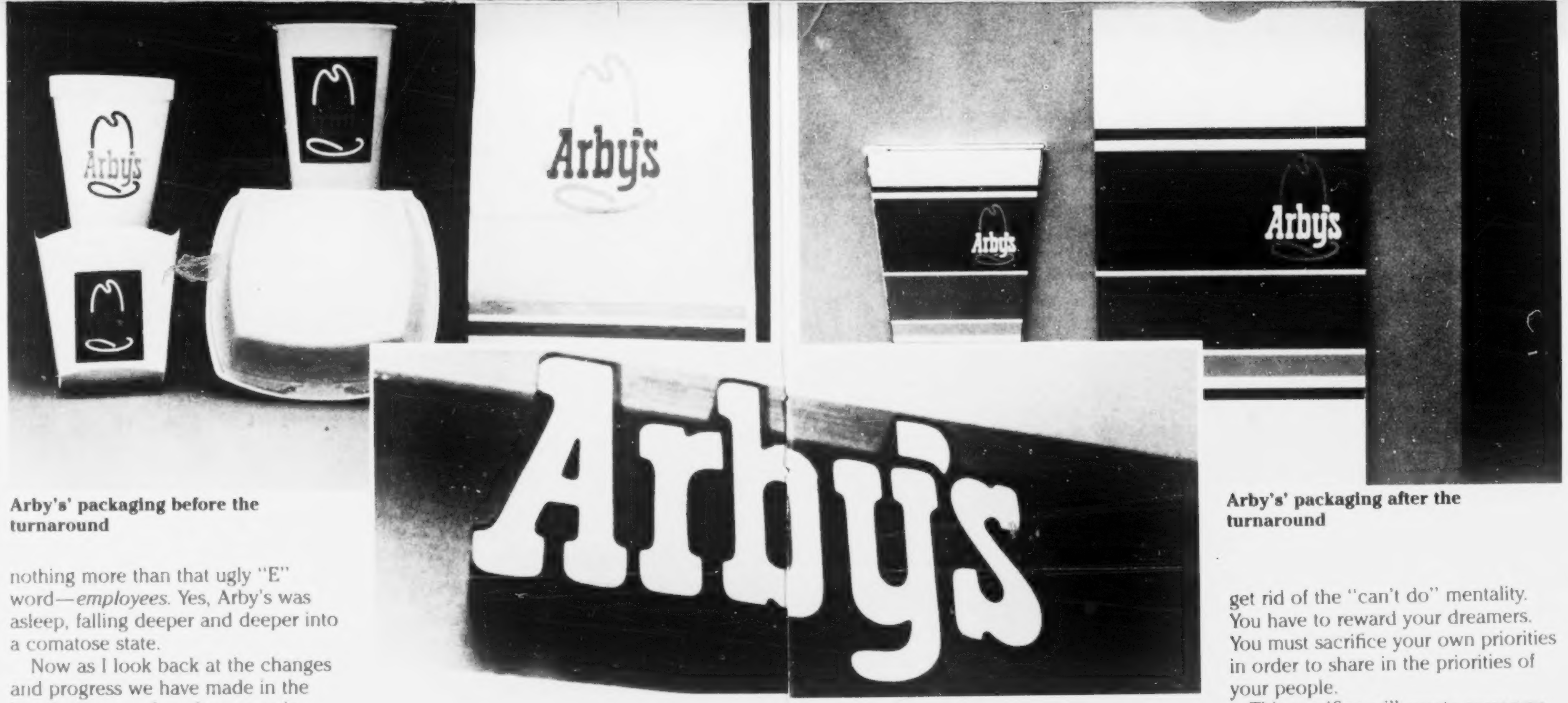
how close they could get to the corporate power structure. Gossiping and writing self-protective memos to each other and to the franchisee community was the modus operandi for communication.

From what I heard, I believed that this company was going down the tubes. I believed that Arby's was on its last leg! Well, after about an hour of this culture shock, I excused myself from the dinner table to make a phone call. Yes, I saw a challenge. So on the phone I accepted the position of president and C.E.O. of Arby's, came back to the dinner table and made an announcement that shocked my new-found friends, the Arby's franchisees. Everyone quickly sobered up, and it was at that moment that we began the process of planning for Arby's growth and future.

Observations at headquarters

After a couple of weeks on the job at Arby's' headquarters in Atlanta, I quickly made some observations that explained why the company was in a downward spiral. Believe me, I've seen it before: There was little, if any, direction. The organization was stagnating and choking itself with its bureaucratic procedures. People were deathly afraid of making mistakes, deathly afraid of trying new things. The politicians were the "in" group, and the innovators were the outcasts.

People weren't working together as partners or teammates. They were nothing more than that ugly "E" word—*employees*. Yes, Arby's was asleep, falling deeper and deeper into a comatose state.



Arby's' packaging before the turnaround

Arby's' packaging after the turnaround

It is the innovators and risk-takers who breathe new life and new ideas into the soul of a company. To be innovative simply means to be action-oriented, comfortable with taking risks and comfortable in making mistakes.

Now as I look back at the changes and progress we have made in the last three years, I can't express in words alone how darn proud I am of what this once-dying organization has accomplished.

Yes, we are now breaking all kinds of sales and profit records; but most important, we are truly having fun doing it.

The innovators and risk-takers have become our heroes. Our people are no longer bound by the corporate hierarchy. Communication flows freely between all levels and all departments. We are back to communicating with one another the old-fashioned way—by mouth, eyeball to eyeball, not by memos.

And we moved fast, very fast:

☐ with new products

☐ with a new advertising and marketing direction

☐ with new restaurant design and facilities

☐ with new signage

☐ with new packaging

☐ with new promotions

☐ with new training programs

☐ with a new image

☐ and with a new pride in who we were and where we were headed.

We became a good corporate citizen with our national sponsorship and extensive involvement with the Big Brothers/Big Sisters organization.

In fact, our three-year history of posting record sales, profits and new restaurant openings is merely icing on the cake. The turnaround at Arby's goes far beyond the bottom line. It has touched almost every aspect of our business. Arby's has a new culture; a winning spirit. We believe in our concept, our business and our fellow teammates; but, most important, we believe in ourselves.

So what were the key factors responsible for Arby's' turnaround? What did we do to break the shackles of Arby's' stagnation that also has gripped some other large corporations?

1. **Identify strengths.** I believe a turnaround starts by identifying the strengths of an organization, namely the strengths of its people. And in our business that includes our employees, franchisees and suppliers.

We are successful at motivating our people to succeed when we, as managers, attempt to capitalize on the strengths of each department and each individual. Unfortunately, too often we fog our vision for the future because we spend far too much time focusing on the weaknesses of our people, rather than making our people feel like winners. And making people feel like winners is the very foundation upon which a winning team spirit is built.

2. **Build a winning team spirit.** Building a winning team spirit is, in my opinion, the most important element of a turnaround.

It's impossible to positively motivate a team that's failing. You have to find and sometimes even create a win. This affords you the opportunity to focus on the winners and not the losers, thereby beginning the process of building and broadening the success of the organization.

So it's imperative that you give your teams attainable goals. Once people taste success, there is nothing that can ever replace that sweet, unforgettable flavor. Give your people that sweet taste of success and then let them know they can have more. This will constantly broaden and raise their sights. In other words, use short-term success to show what the long-term potential can be.

As managers, we need to make sure that our people clearly understand what's expected of them. Keep on top of the small gains and losses—and every day chart your progress. Reminding our people of where we have made our gains is a constant process—you can't do this only occasionally.

And, if you want to be a good "bureaucracy buster," then you have to get rid of the "can't do" mentality. You have to reward your dreamers. You must sacrifice your own priorities in order to share in the priorities of your people.

This sacrifice will create awesome downward loyalty. Soon your people will be looking to reciprocate—not because you asked, but because they want to. And that is really the key—people have to *want* to work hard.

Hug your people. Make *them* the company. Make the company part of their lives; develop a family environment. Don't let your ego get in the way. You shouldn't have the spotlight; you must give your people their turn in the light.

Take your people's advice. Listen, listen, and then do some more listening. Never let your people see you sweat. Laugh with them, cry with them; share in their pain and joy. Be their champion, not their boss.

The net-net of all of this is: Build your team—then rely on your team to do the job. Use their minds, their hearts and their bodies. Let them work to win, not work to merely survive.

Believe me, if you build a good team, you've got yourself a motivated organization. And this organization will die for you and for the company.

3. **Open lines of communications.** Forget about effecting a turnaround if you don't have open communications among your people. People must feel comfortable discussing the real issues. At Arby's, the culture changed from one where there was fear of communication to one where people are now at ease in expressing their ideas and then taking some chances with those ideas. I believe we have excellent open and direct communication between all layers of our management and throughout the Arby's system. I can't think of a single successful program at Arby's that would have occurred but for our open communications.

4. **Encourage innovation and risk-taking.** Once we identified the strengths of our organization, built a winning team spirit and opened the lines of communication, then and only then were we able to pave the way for one of the most important factors that contributed to our turnaround—that is, innovation and risk-taking.

As I mentioned before, when I first joined Arby's the Innovators were shunned. They were considered outsiders, and the politicians were the insiders. That had to change, and it did. It is the innovators and risk-takers who breathe new life and new ideas into the soul of a company. Whether we are talking about being innovative with products, advertising, building design, or customer service, to be innovative simply means to be action-oriented, comfortable with taking risks and comfortable in making mistakes.

And talking about making mistakes, Robert Townsend, author of *Up the Organization*, described it well when he said, "to be truly innovative, we need to find ways to make mistakes faster."

Building a winning team spirit is the most important element of a turnaround. If you build a good team, you've got yourself a motivated organization . . . [one that] will die for you and for the company.

The chance of anything new working or succeeding on the first try is one in a million. So the only way to increase your odds of succeeding is to try new things and screw up! The whole key is to learn to make our mistakes faster so we can succeed faster.

We need to try, try, try and try. We need to "try things with an unreasonable conviction based on inadequate evidence"—a great definition of entrepreneurship by Tom Peters, the author of the best-seller *In Search of Excellence*.

As Peters says, "If you don't want to try, try, try, but would rather test, test, test, then that's really saying you want to fail, fail, fail."

Innovation does not come from plans, procedures or planning manuals. It comes from emotion, passion and speed.

Try, try, try, speed, speed, speed—these are synonyms for action, energy, conviction and, most important, the right to fail. There is no question that in a winning and innovative corporate culture, people at all levels need to assume risks and sometimes make tough decisions, relying as much on one's instincts as on anyone's numbers or data.

A great test for determining whether you have an action-oriented or a survival-oriented environment is to observe your accountants and lawyers. If they are smiling with comfort, then you are merely surviving. However, if your accountants and lawyers are choking, sweating and dying every day, then count your blessings—you probably have yourself one heck of an action-oriented, winning environment!

The only way to increase your odds of succeeding is to try new things and screw up! The whole key is to learn to make our mistakes faster so we can succeed faster.

But perhaps the most noticeable characteristic of a winning environment is its people orientation. A winning team will typically be one that gives high priority to listening to its people, its customers, its franchisees and its suppliers. For behind every winning strategy is the keen awareness that change and success come from people, not from machines or piles of paperwork.

5. **Build a service culture.** If it's the innovators and risk-takers who breathe new life and ideas into the soul of a company, then it is the constant attention to quality that keeps that soul alive.

The most important factor is our ability to deliver what we call "the Arby's promise to our customers"—"The promise to deliver only the best, highest-quality food, served in a clean, friendly and pleasant environment, with speed and efficiency of service."

I know that every one of our major competitors has the same or a similar promise. However, today, more than ever before, how well a restaurant or chain will succeed depends on how well it delivers on its promise to its customers.

To make good on Arby's' promise, we had to strengthen our service to the customer. We had to create a service culture. Well, what is a service culture?

I believe Dr. Karl Albrecht, author of the widely acclaimed book *Service America*, best summarizes what a service culture is: "It's when a company is driven by two and only two groups—those who service the customers directly and those who service someone who does."

Unless shared values, norms, beliefs and ideologies of everyone in an organization are focused on serving the customer, there is practically no chance that the organization can deliver quality service.

The best way to create a service culture is to foster enthusiastic grassroots involvement on the part of all employees and franchisees. The corporate office and, most important, the crew and store manager who are on the front line every day must feel like an integral part of the team.

The Arby's philosophy

At Arby's if there is one philosophy that I pray each day that we all agree on, it is that we are not really in the food business or in the roast beef business. We are first and foremost in the hospitality business! And I believe, particularly in today's highly competitive environment, if you do not recognize this factor or support this basic philosophy, then you are handicapping your own success.

The greatest menu in the world, which I sincerely believe we have in our market segment, is just not enough today. Our customers, whether they admit it or not, want to feel good about their patronage. They want to feel appreciated.

You know, during the last three years, I have received and read hundreds and hundreds of complaining and complimentary letters from our customers. Without exception, what inspired them to write to the president of the company was founded not on whether the food was prepared well, but whether they were treated with dignity and appreciation.

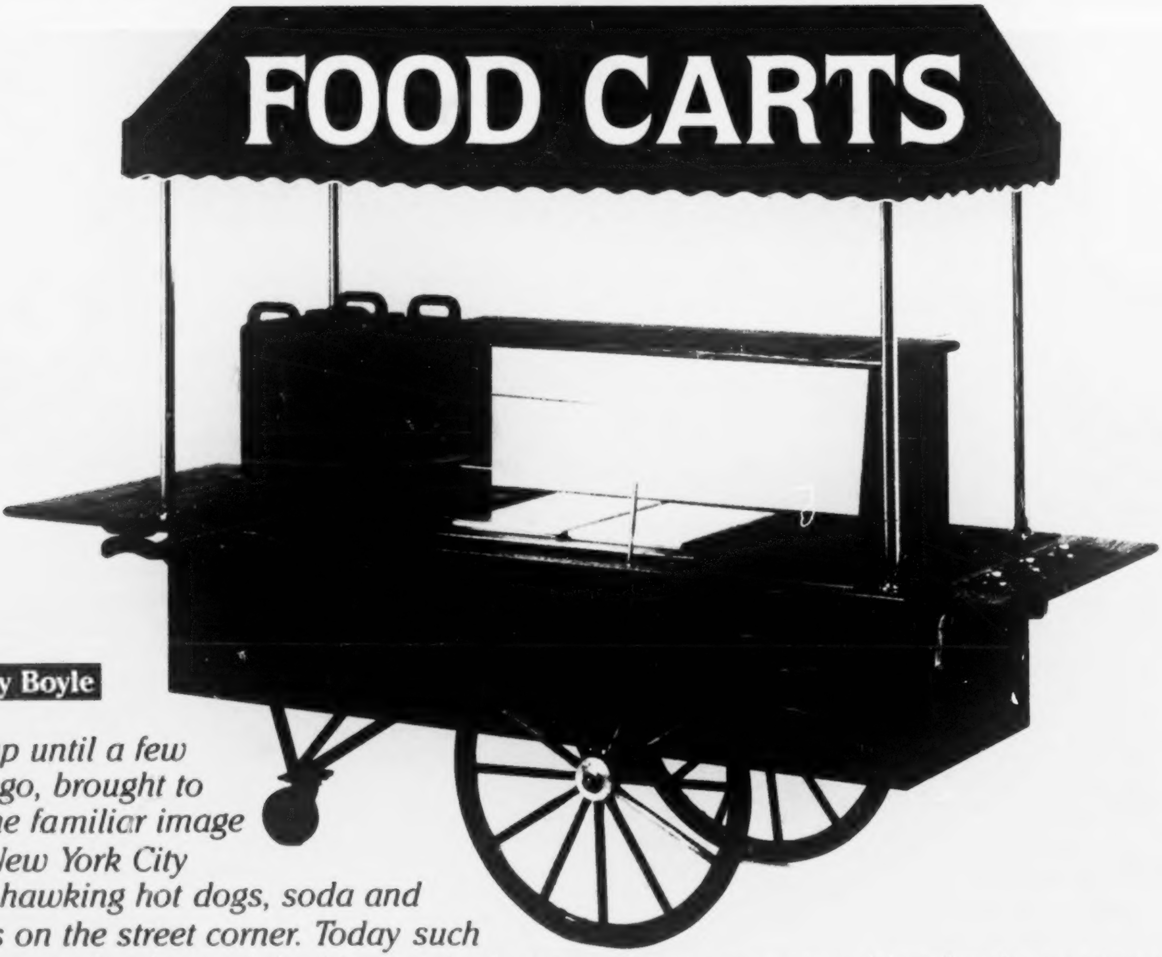
Faith—the secret ingredient

Finally, the secret ingredient—without which there really is no hope of winning—is having that special kind of faith in yourself. And for many people and for many organizations that will turn out to be the problem.

I would like to end with the very same simple message on faith I gave my own people and franchisees during my very first week at Arby's. That message was, and I quote: "Folks, we will always have our doubts together, but we should never allow those doubts to overwhelm that wonderfully naive faith in ourselves that each of us should have. And until we try, we will never know the power we can harness—that we can always do more, much more than we thought we could do—and maybe, just maybe, we just might win beyond all of our wildest dreams."

Best of luck with your dreams. ❑

FOOD CARTS



by Kathy Boyle

Carts, up until a few years ago, brought to mind the familiar image of the New York City vendor hawking hot dogs, soda and pretzels on the street corner. Today such carts are moving beyond the big city. And restaurateurs are not waiting for the customer to arrive. Instead, they are carting the food to the customer.

Carts are moving inside of buildings and malls, sometimes as extensions of already successful restaurants and sometimes as an independent operation. Espresso bars, patio service, salad bars and ice cream stands are some possibilities for carts in foodservice. In addition, some providers are using carts to boost meal-period sales with self-service breakfast and lunch. At Eastman Kodak Company in Rochester, New York, carts are used at eight of its 56 locations. At breakfast, carts offer bagels and cream cheese, donuts, muffins, pastries, yogurt, juices, coffee and tea. At lunchtime, they offer self-serve soups, salads, fruit bowls, sandwiches, pies and cakes. In the late afternoon, pastries, cookies, pies and cakes are merchandised on the carts for employees to take home.

Why carts?

Carts are portable and affordable. They can be used individually or grouped together—inside or outside a restaurant—to form a serving station.

Depending on what is added, carts range in price from $2,000 to $20,000—a fraction of the price of a restaurant extension or new location. But the less-expensive models are often designed for cold foods only or for food displays, such as donuts or pastries. At the higher price range, carts have hookups for electricity, stoves and refrigerators.

Expandable (and contractible) restaurants

The Exploratorium Museum in San Francisco attracts 500,000 visitors annually, but for many years it was unable to install a full-fledged foodservice operation because of inadequate sewage and water lines, located nearly a quarter of a mile away. Today it has a thriving business, thanks to carts. Working with a cart manufacturer in San Francisco, the museum recently received final approval from the San Francisco Health Department, and in July 1988 it opened a foodservice operation consisting of six mobile carts.

"Today, we have a functioning restaurant with a chef—David Thomas—formerly of the Faculty Club at the University of California. We change the menu regularly, and we are serving gourmet cuisine from our carts. I would say we are equivalent to any restaurant in San Francisco. And we may do $1 million a year in sales," says Charles C. Carlson, director of operations.

The carts are a particularly well-suited solution to the museum's seasonal business. Forty percent of the visitors come in the summer months, mostly in August. Visitors drop off

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*Kathy Boyle is a frequent contributor to **Restaurants USA**.*

Carte Café
Carte Café

Carts range in price from $2,000 to $20,000—a fraction of the price of a restaurant extension or new location.

sharply in September, until school groups start arriving on a regular basis in October and November. Then business is heavy again during the Christmas holidays. Carlson believes the new cart system fits nicely into this erratic traffic flow. "The cart system allows us to expand or contract our foodservice. During the August peak, we use all six carts. But on winter afternoons, when business is slower, we can scale down."

Expanding service

Although the cart solution at the Exploratorium Museum has produced dramatic results, carts are more commonly used to expand an existing operation. Earlier this year, the Red Lion Hotel and Inn in Jantzen Beach, Oregon, began using a new cart with a maroon awning to expand its breakfast service in the hotel's 300-seat coffee shop. "We use the cart for an express breakfast program," says John C. Erickson, formerly assistant manager in charge of food and beverage in Jantzen Beach, now in Eugene. Located in the center of the coffee shop, the cart offers hot-entree items, such as two choices of meats, potatoes, scrambled eggs and a different hot biscuit each day. Cold selections include melons, fresh fruits, juices, cold cereals, yogurt, granola, Danish pastries and bran muffins.

Once in operation, Erickson quickly saw that the cart had potential for more than just breakfast. He put it to use for meeting coffee breaks and lunches. "It relieves the pressure on other outlets in the hotel and provides guests with an extra service," Erickson explains. "For example, we use it to provide a quick lunch for meetings of 800 to 1,000 people. We set it up with sandwiches, potato salad and snacks, and thereby keep people here who might otherwise go off the property to a nearby fast-food outlet."

Not skipping a beat, Erickson comes back with the cart in the evening to serve free hors d'oeuvres from 5 to 7 p.m. in the hotel's lounge. Although Erickson cannot yet assess what the cart has done for sales, he has noted its positive effect on customers: "It provides a great deal of customer satisfaction. They notice it—the speed at breakfast and the convenience at lunchtime, and they tell us about it!"

Multiple uses

Erickson is not the only one to expand his cart program beyond the original intended use. Recently the Pentagon purchased an attractive wooden cart to take the stress off its pastry shop. Andrew Jones, executive secretary for the Department of Defense Concessions Committee, explains: "Each year we bake 2.2 million pastries and donuts in-house. For the overflow of business in the mornings we were using a table outside our pastry shop. It was not very attractive. So when we saw some carts at a recent equipment show, we decided that a cart was a much more logical way to merchandise our pastries."

It was not long after the cart arrived, however, that Jones realized its full potential. "Instead of using the cart in the hallway, we moved it to the center of our cafeteria and began merchandising donuts and pastries. The racks are designed to hold the pastry pans on an angle, so they merchandise the pastries beautifully. And there is a convenient paper-bag rack so customers can bag the items themselves. The cart has become a complete self-service bakery cart, with no added labor costs. Customers simply pay at the cafeteria cashier."

Not stopping with breakfast, Jones now uses the cart to merchandise lunchtime desserts—strawberry and Black Forest sheet cakes. "The all-wood cart is a very appealing addition to our stainless-steel environment," he notes. "With its green canvas awning and wagon wheels, it is a very attractive way to merchandise pastries and cakes. We may be doing $185 to $200 a day in cake sales alone off the cart."

The right cart

Carts come in many different looks—from soft woods to stainless steel—and can include colorful awnings and signs. In fact, many cart companies are custom-designing carts to suit their intended use. The Marriott Corporation, headquartered in Bethesda, Maryland, is one company to put a good deal of planning into custom-designing a line of carts.

"We brought in 11 of our operators, who already had used carts, as a task force. These people were a rather sophisticated group and knew what an operator would and would not need in a cart," explains Ruthanne Mefford, director of product marketing in food and services management. This task force looked at very functional things, such as where to put the condiments rack, how to locate the shelves on the cart, how to design overhead cup dispensers and even what types of awnings would best deflect the rain. They even recommended adding a feature not commonly found on carts—a built-in shelf for a cash register. "We have a hinged pull-out shelf built into the cart to fit the cash register. I think we may be one of the few in the business with such a convenience on our carts," Mefford explains.

The result of Marriott's research and planning was to create four distinct cart designs, each suited to a specific market segment: (1) A wood cart, built of solid oak and oak veneers with brass poles, which can merchandise hot and cold foods in lobbies, interior courtyards, dining rooms or in the hotel's catering operation. (2) A smaller-sized, old-fashioned buggy cart, designed for lower-volume locations or open-air locations, such as high school campus quadrangles, to serve hot dogs, soda and sandwiches. (3) A large, stainless-steel cart that can be outfitted with a post-mix fountain beverage option, a propane or electric stove and a refrigerator. (4) And finally, for those situations where only cold merchandise is to be served, a three-pan iced cart for maximum chilled space and menu versatility.

Similarly, when Sea World of Texas in San Antonio began to plan its foodservice operations 18 months ago prior to opening this past April, it chose to place custom-designed carts in 23 of its 42 foodservice locations. "We are two-and-a-half times the size of Sea World of Orlando," notes Patrick J. Lasich, vice president of foodservice. "With so much walking for the guest, we wanted to cover as much park area as possible, and we thought carts filled our needs." The menu is simple; each cart usually sells one or two items plus beverages. For example, there is a charbroiled hot-dog cart where hot dogs are gas charbroiled on the grill right in front of the customer.

Not labor intensive

In an industry that is desperately seeking employees, are carts overly labor-intensive? No, according to operators who use carts. "As far as labor is concerned, we find our carts to be extremely efficient and very profitable. For example, with our self-service soup, we get the customer to do all the work," quips William C. Lembach, director of foodservice at Eastman Kodak.

Stanley Roth, president of Cart Wheels Mobile Food Services, Inc., in San Francisco agrees: "A buffet cart can take the lines away and is a better utilization of space and staff. Staff can be busy prepping for lunch while the buffet cart serves the latecomers for breakfast."

In addition, one person can attend multiple carts. "In less busy times, we combine several carts with one staffer," explains Lasich. "What is important, however, is to look at the payback on a cart versus a major facility. It is amazing. The payback on a cart may be six to eight months. If you spend $1.5 million on a major restaurant, you will be lucky if your payback is five to seven years."

Although carts may require one person to operate, the employee may not be needed for an entire shift. "We usually borrow someone for a four-hour shift," says Marriott's Mefford. Carts may require some backup from others—a chef to design a menu, a supervisor to check a cart in and out, and maybe someone to stock the cart before the meal period. But a nice feature in using carts is that preparation of items can be done during off-peak times, then brought to the cart location just prior to serving. Also, operators find that many young people like working a cart in the outdoors.

To cut down on training costs, Marriott developed a video program for training cart employees.

Cart merchandising

In addition to capturing a new group of customers, a cart can provide extra advertising for the restaurant. For example, some restaurants use carts for sampling programs. They may tie into a mall event, a fair or an evening at the theatre to sell small amounts of a product for sampling—at a profit. "When a customer samples an item and then asks, 'Where are you located?' you can hand them a walk-away menu to promote your restaurant," notes Roth.

Another way to use carts for advertising is to buy a cart, put your name on it and lend it to civic groups for their events. The restaurant gets both the publicity and the good will.

Getting a cart free

Some food manufacturers offer restaurants free carts as an incentive for selling their products or as a device for advertising. For example, Quincy's at the Aquarium in Seattle, a 200-seat ice cream restaurant, received a free cart for selling enough Dove Bars from Dove Bar International. Currently, Quincy's uses the cart at special events and fundraisers. "When we had 10,000 sailors here for our SeaFeast Festival, we used it out in front of the restaurant on the pier," says manager Shannon Mackay.

Getting the wheels in motion

When planning a cart program, review potential locations and customer counts carefully.

☐ **Location.** "You must be careful to put the cart in an area that will stimulate enough business—a strategic location," says William C. Lembach, director of foodservice at Eastman Kodak Company in Rochester, New York. "The beauty of a cart, however, is that if you make a mistake in assessing the site, you can move it. For example, we moved one cart which was not doing that well to another building, and it did great."

Ruthanne Mefford, director of product marketing in food and service management at the Marriott Corporation, agrees: "Location is everything. At first, our cart here at headquarters [Bethesda, Maryland] was located in the main lobby and did all right; but when we moved it to the employee side-entrance, sales shot up enormously."

☐ **Menus.** Operators differ slightly on menu options for carts. Some believe the cart should offer the same menu as the main foodservice operation. Others favor impulse foods. Both can work, depending on how the cart is used. "We suggest that each unit do a customer-preference survey to determine what types of foods customers want and about how much they want to pay," advises Mefford. "In general, we think people want portable, fun foods."

Whatever the selection, operators agree that the food must look good to catch the customer's attention.

☐ **Staff.** Several operators note that when choosing an employee to staff a cart, they look closely for good sales skills, politeness and cleanliness.

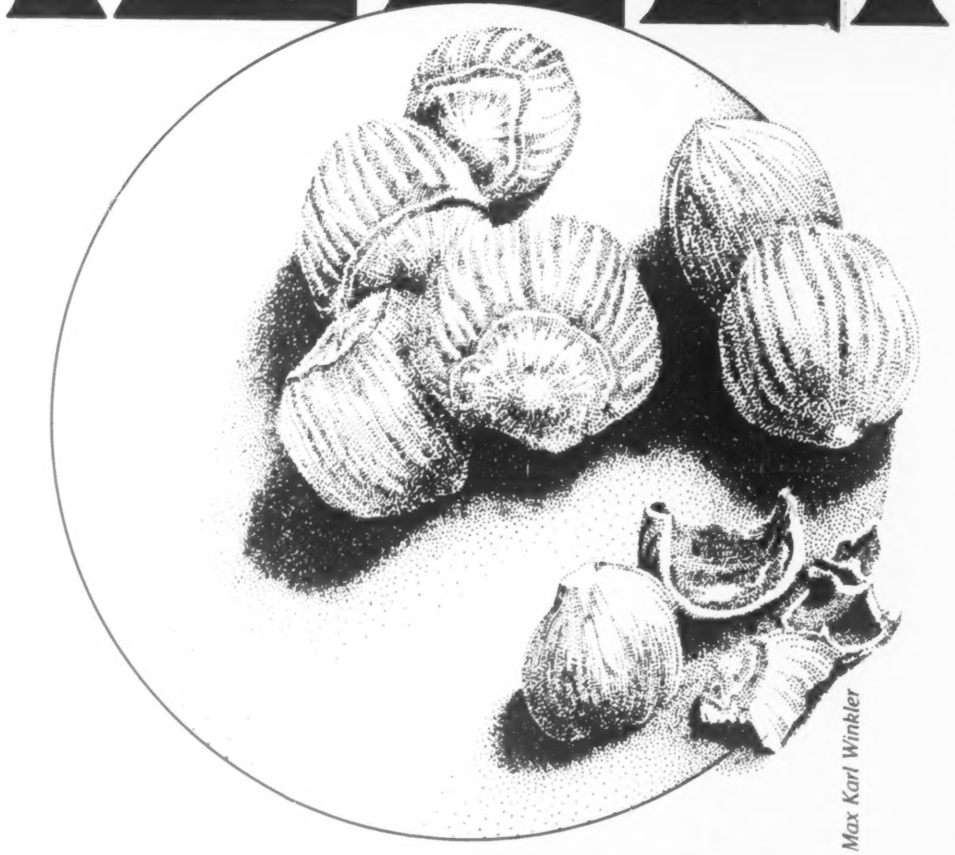
Revving up

Because of their flexibility, mobility and relatively low cost, carts are sure to be a restaurant growth booster in the future. ❑

HAZELNUTS

by Claire Regan

A Nutty Marketing Idea



Max Karl Winkler

Think of it—one nut that can be used to enhance soups, salads, entrees, desserts and even beverages. Sound like a genetically engineered supernut? It's not. It is the hazelnut, whose nutty, full-bodied flavor transforms an ordinary dish into something worth remembering. Chefs are taking advantage of the hazelnut's adaptability to add character to a variety of menu items from rack of lamb (stuffed with greens and hazelnuts) to a savory mushroom-and-hazelnut soup. Hazelnut-grapefruit butter adds zing to fish filets, and a handful of chopped hazelnuts adds flavor and crunch to fruit salad. Hazelnuts are a traditional ingredient in desserts like mousses, tortes and souffles, and they are appearing in fruit cobblers, cheesecakes and ice creams. The rich flavor of hazelnut-flavored coffee makes it hard to believe it is calorie-free. In some regions, hazelnuts are even used as a cocktail condiment, found floating in the likes of gimlets, stingers and black Russians.

Hazelnuts' nomenclature is nearly as versatile as the nut itself. Hazelnuts earned the name of filbert from the French, where the nuts ripen around August 22, Saint Philbert's feast day. Although some authorities claim filbert to be the scientifically correct name of the nut produced by the hazelnut tree, there seems to be no hard-and-fast rule governing this. Adding to the confusion, hazelnuts are called cob-nuts in England.

Hazelnuts were first cultivated in the United States in 1876 by a Frenchman, David Garnot, who planted 50 hazelnut trees in the Willamette River Valley of Oregon because it reminded him of his native Loire. Oregon's mild weather and good soil were conducive to the hazelnut tree's growth, and other plantings followed. Today 98 percent of domestic hazelnuts are produced in Oregon, where 49 of Garnot's 50 original trees reportedly continue to bear nuts. Because their cultivation contributes millions to the state's economy, hazelnuts will soon be proclaimed the official nut of the state of Oregon when the "nut bill" passes in the 1989 state legislative session.

Oregonian hazelnut pride seems contagious. Chef George Poston of Atwater's in Portland (110 seats) reports he likes to use hazelnuts because they are a local product, "plus their flavor is excellent." Poston, who often uses them to make a compound butter, says the rich, warm flavor of hazelnuts lends itself particularly well to entree salads. "I use warm hazelnut-oil-and-vinegar dressing on a sauteed-lamb-and-vegetable salad," he explains. According to Poston, the hazelnut-oil flavor mellows the acidic flavor of wine and vinegar.

Although it is expensive, a little hazelnut oil can go a long way. This flavorful oil is usually used in combination with a blander oil; a few drops provide a flavor complement to chicken salad, sauteed fish, raw vegetable dips and even cookies. Hazelnut oil can be kept in a cool place for six months.

Seattle-based chef Barbara Figueroa (executive chef, Sorrento Hotel) maintains hazelnuts are popular throughout the country. "I use hazelnuts because I like them; I like their flavor," Figueroa simply states. "Hazelnuts are used a good deal in classic French cuisine, and I know they're used quite a bit by New York chefs. Hazelnuts are nothing new. They're fairly universal," she maintains. Figueroa keeps hazelnuts readily available so she and her staff can use them anytime in her "free-floating format." "People like hazelnuts. They're an important ingredient in my wild-mushroom timbale, a custard on demiglasse surrounded by smoked duck breast and garnished with hazelnuts," she explains.

Now is the time to experiment with hazelnuts as they are particularly good with fall and winter salads as well as duck and game preparations. The following suggestions are provided by the Hazelnut Marketing Board in Tigard, Oregon.

☐ **Roasted hazelnuts.** For full flavor, always roast your hazelnuts before using them in food preparation! (*Note:* 2 lbs. of in-shell hazelnuts yield about 3 cups of hazelnut kernels.) Spread shelled hazelnuts in a shallow pan and roast in a 275° oven for 20 to 30 minutes, until skins crack. To remove skins, rub nuts while warm with a rough cloth or between your hands. Store in refrigerator or freezer.

Alternatively, you can roast them with butter in a microwave for 3 to 4 minutes, adding about 2 Tbs. of butter for every 3 cups of kernels.

☐ **Deep-fried hazelnuts.** Heat oil to 365°. Place raw hazelnuts in a basket and submerge them for 30 seconds or until golden brown. Drain on paper towels and dust with salt.

☐ **Boiled and pureed hazelnuts.** Boil peeled hazelnuts for 15 minutes in water that just covers nuts. Drain and puree in a food processor or blender. Add cream or stock, if moisture is needed. Season to taste (i.e., garlic salt or nutmeg). Makes an interesting side dish for a fish entree. ❑

GOURMET HAZELNUT BUTTER

Ingredients:
½ cup butter or margarine
2 tspns. lemon juice
⅓ cup finely chopped Oregon hazelnuts
½ tspn. salt
Dash celery salt
Dash cayenne pepper

Method:
Soften butter or margarine until just workable; add other ingredients and thoroughly blend. Serve at room temperature to top fish, chicken or warm vegetables. Will top six salmon steaks generously.

Recipes are courtesy of the Hazelnut Marketing Board

THREE-PEPPER HAZELNUT SOUP

Serves 12

Ingredients:
1 qt. chicken stock
1 cup lentils
½ cup chopped onions
½ cup chopped carrots
¼ cup chopped celery
2 cloves garlic
½ tspn. coriander
½ tspn. fenugreek
¼ tspn. cumin
2 cups water
1½ cups hazelnuts, toasted and chopped
1 tspn. mixed peppercorns (pink, green and black, cracked)
2 Tbs. (approx.) flour and butter roux to thicken
Salt to taste

Method:
Combine stock, lentils, onions, carrots, celery, garlic, coriander, fenugreek and cumin in a heavy 3-quart soup pot. Bring to boil, reduce heat and simmer 1 hour.

Remove from heat and put through a sieve or puree and return to pot. Add water, hazelnuts and peppers and simmer 15 minutes.

Thicken by beating in roux and cooking an additional 15 minutes. Adjust salt.

Garnish with sour cream, chopped onion or chives, shredded carrots or hazelnuts.

HAZELNUT-STUFFED FRENCH BREAD

Yields 2 large loaves

Ingredients:

Filling:
2 garlic cloves, chopped
1 Tbs. Dijon mustard
¾ cup hazelnuts, finely chopped
⅓ cup olive oil
½ cup sun-dried tomatoes, chopped
¼ cup butter, soft
1 cup Swiss cheese, grated

Thoroughly mix all ingredients together and set aside.

Bread:
2 Tbs. dry yeast
2½ cups warm water (105°-115° F.)
7 cups bread flour, unsifted
1 Tbs. salt
1 Tbs. butter, melted

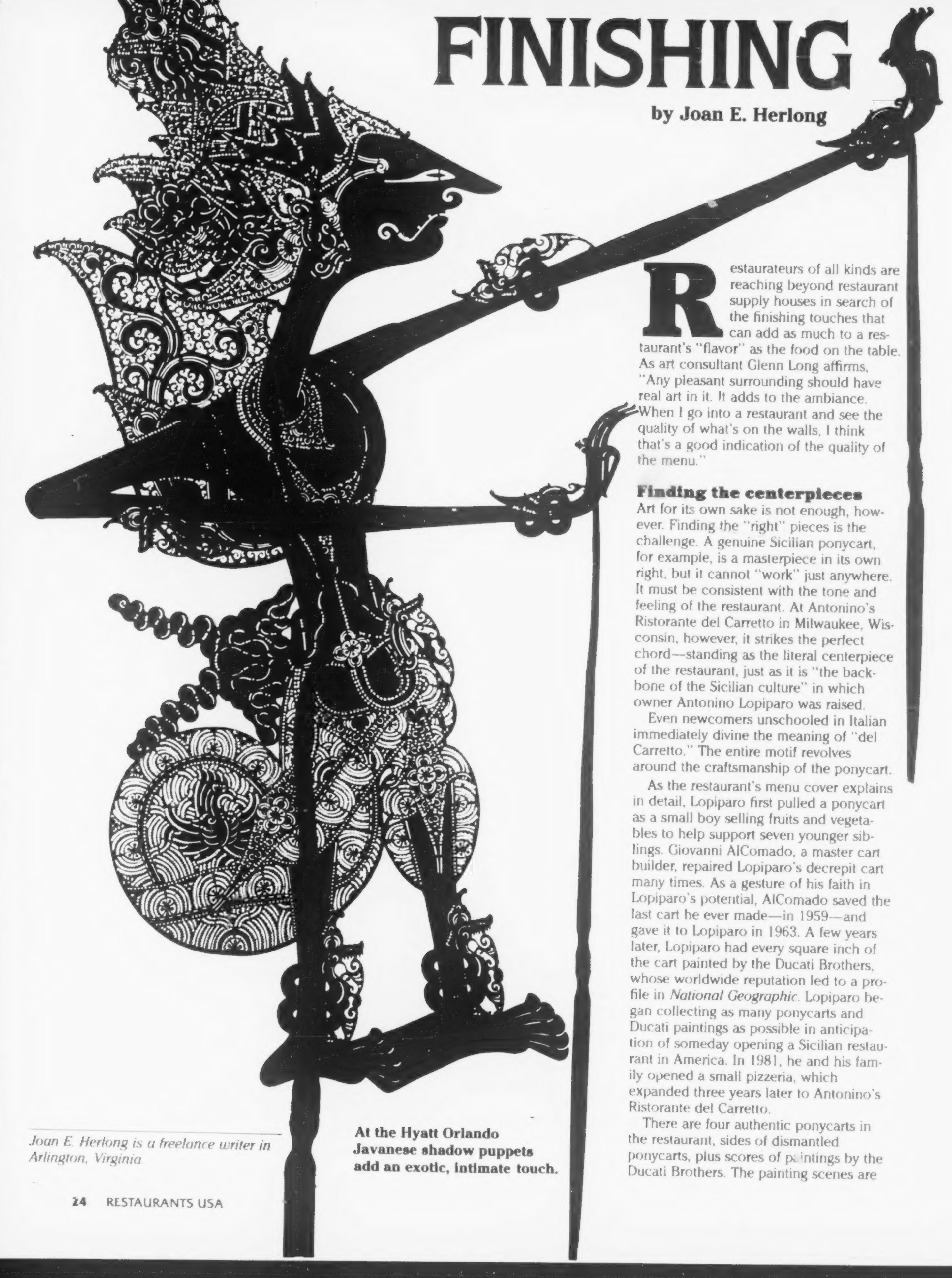
Combine:
1 egg white
1 Tbs. water
Cornmeal for dusting

Method:
Dissolve yeast in warm water. Add bread flour, salt and butter; blend until well mixed. Knead until dough is elastic and smooth—about 10 minutes. Place in greased bowl, cover and let rise until double—about 1 hour. Divide dough into 2 pieces and roll into oblong pieces 15 x 12 inches. Spread each piece with half of filling. Roll up, sealing as you roll. Place seam-side down on greased baking sheets that have been dusted with cornmeal. Let rise until double—about 1 hour. Make 3 or 4 diagonal cuts on each loaf. Bake in preheated 450° oven for 25 minutes. Remove, brush with egg-white-and-water mix; bake 5 minutes more. For best results, keep oven very hot and place a pan with 1 inch of water on the bottom rack. This helps create the classic crunchy crust of good French bread.

Claire Regan, R.D., is manager/staff nutritionist at the National Restaurant Association.

FINISHING

by Joan E. Herlong



At the Hyatt Orlando Javanese shadow puppets add an exotic, intimate touch.

Restaurateurs of all kinds are reaching beyond restaurant supply houses in search of the finishing touches that can add as much to a restaurant's "flavor" as the food on the table. As art consultant Glenn Long affirms, "Any pleasant surrounding should have real art in it. It adds to the ambiance. When I go into a restaurant and see the quality of what's on the walls, I think that's a good indication of the quality of the menu."

Finding the centerpieces

Art for its own sake is not enough, however. Finding the "right" pieces is the challenge. A genuine Sicilian ponycart, for example, is a masterpiece in its own right, but it cannot "work" just anywhere. It must be consistent with the tone and feeling of the restaurant. At Antonino's Ristorante del Carretto in Milwaukee, Wisconsin, however, it strikes the perfect chord—standing as the literal centerpiece of the restaurant, just as it is "the backbone of the Sicilian culture" in which owner Antonino Lopiparo was raised.

Even newcomers unschooled in Italian immediately divine the meaning of "del Carretto." The entire motif revolves around the craftsmanship of the ponycart.

As the restaurant's menu cover explains in detail, Lopiparo first pulled a ponycart as a small boy selling fruits and vegetables to help support seven younger siblings. Giovanni AlComado, a master cart builder, repaired Lopiparo's decrepit cart many times. As a gesture of his faith in Lopiparo's potential, AlComado saved the last cart he ever made—in 1959—and gave it to Lopiparo in 1963. A few years later, Lopiparo had every square inch of the cart painted by the Ducati Brothers, whose worldwide reputation led to a profile in *National Geographic*. Lopiparo began collecting as many ponycarts and Ducati paintings as possible in anticipation of someday opening a Sicilian restaurant in America. In 1981, he and his family opened a small pizzeria, which expanded three years later to Antonino's Ristorante del Carretto.

There are four authentic ponycarts in the restaurant, sides of dismantled ponycarts, plus scores of paintings by the Ducati Brothers. The painting scenes are

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TOUCHES

The Potomac Room's intricate shadow boxes draw customer attention.

classic ponycart decorations such as romances, battle scenes, folklore and tableaux of the saints.

General manager and son Joseph Lopiparo points out that the *carretto* centerpiece lends the restaurant a truly Sicilian feeling. With the other Italian artifacts on display—pottery, tiles and marionettes—"people say they feel like they've walked into a little corner of Italy," he says.

Senior Lopiparo is especially proud of his collection because, as he says, "Nobody makes the carts anymore. The craft has almost died out." Lopiparo's carts can be seen in city parades and other local events, building recognition for the restaurant in the community.

Highlighting family talent

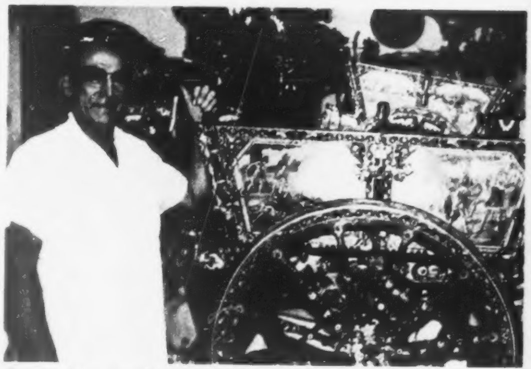
The Potomac Room of the Ritz Carlton in Washington, DC, displays a marvelous collection of shadow boxes that echoes the room's turn-of-the-century-club-like comfort. Flanking the formal fireplace, set as the focal point of the room, are 12 finely appointed shadow boxes, like so many miniature dollhouses perched on the walls. Each one depicts a different scene, such as a French sidewalk cafe, a milliner's shop, and a customer favorite—a general store. Like the Potomac Room itself, panelled throughout in beautifully finished 18th-century South Carolina pine, the shadow boxes are a study in detail. Tiny Civil War photographs hang on the walls of the Victorian parlor scene, genuine oil portraits grace the grand ballroom, miniature labels describe all the usual sundries crowded into the general store and dolls or clothed dogs appear in amusingly human postures. A furtive little mouse also lurks in each box, adding a touch of whimsy to the collection.

"The collection is the focal point in the Potomac Room," says Vivian Deuschel, director of public relations. "The boxes are very popular, generating a lot of interest and curiosity."

The shadow boxes look as though they date back to the 19th century. However, they are only 10 years old. "The collection belongs to the family of the owner of the Ritz Carlton, John Coleman. His aunt made them in 1978, although they appear to be antique," says Deuschel.

A commissioned showpiece

When Trotter's barbecue restaurant in Springfield, Missouri, remodeled about a year and a half ago, owner Steve Trotter seized the opportunity to do something "new and different" for the restaurant. He sought an updated, modern look, but wanted to maintain the established Trotter's logo of horses and horse racing.



Antonino Lopiparo is very proud of his ponycart collection.

Trotter noticed a striking tiled mural in a California bank while vacationing and decided he had found just the thing.

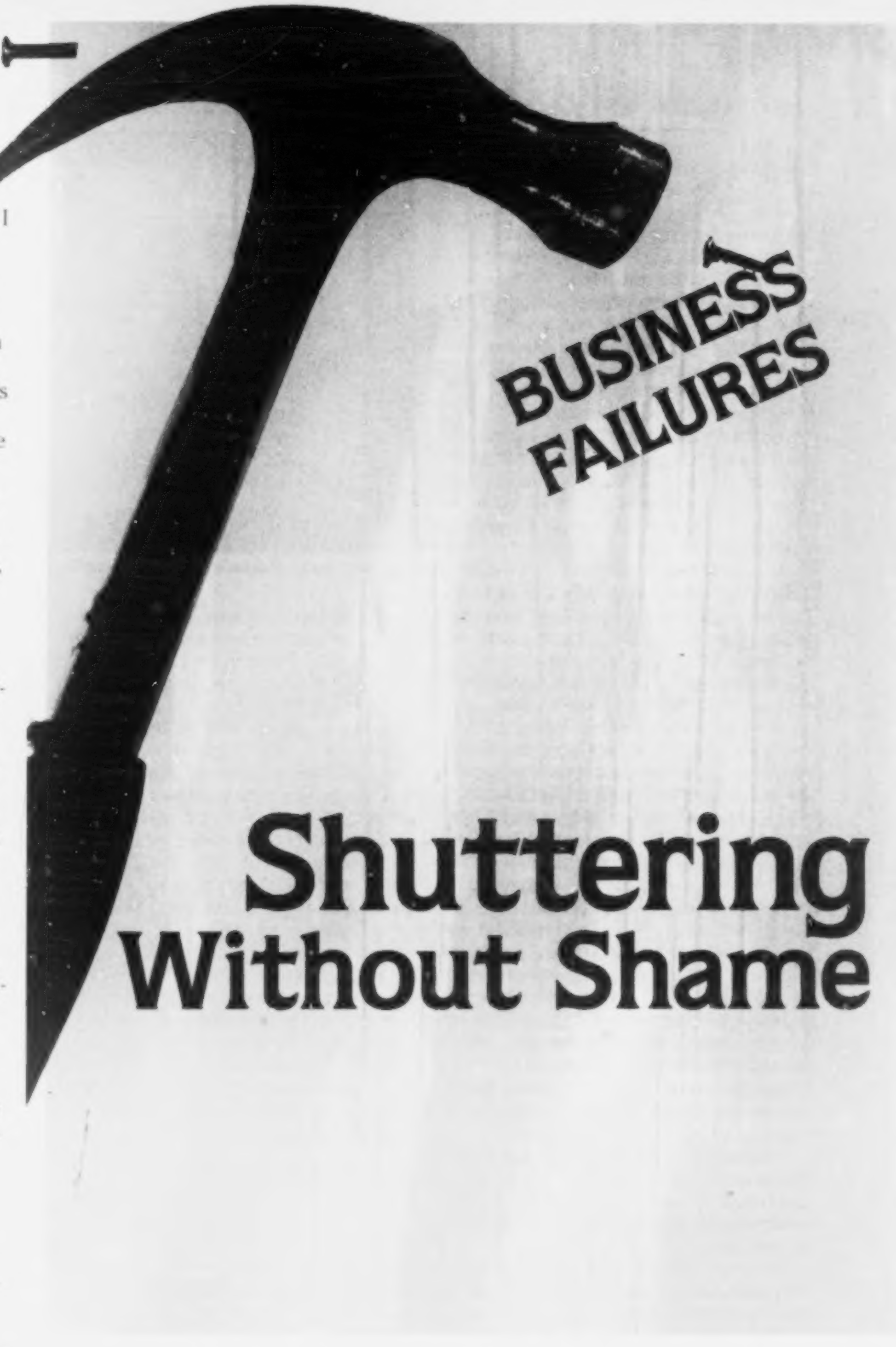
The showpiece of the restaurant now is a relief wall mosaic by artist El Terry Leonard. The mural scene extends the length of the main dining room, about 50 feet, and is done in tiles of varying sizes and depths, some as large as 4 x 5 inches, some quite small. The mosaic depicts "a classic country horse-racing scene, which had already been on our menu covers before remodeling," says Trotter. "People like it real well," he continues; "we get a lot of customer response and actual inquiries about the artist who did it. We're really pleased with the mural because it allowed us to take just a 'Plain Jane' wall and make it into something that adds a lot of interest to the restaurant. Before we remodeled, this was just your typical rustic barbecue restaurant. If we expand, we would like to incorporate the mural into future franchises."

An exotic, intimate touch

At the Hyatt Orlando in Kissimmee, Florida, the art collection adds an exotic, intimate touch. On the lobby level, guests are greeted by an unusual art collection that includes Javanese shadow puppets, Afghanistan tent decorations and Indonesian textiles. The pieces—as small as a child's cap and as large as a bolt of fabric—add texture, color and an international flavor to the otherwise modern, open structure.

Following in-depth marketing research, the art was purchased and assembled for the hotel by Bernice Greenberg of Art Resources, Ltd. In her research Greenberg took into consideration the proximity of the hotel to Walt Disney World and Epcot Center and the guests who visited the hotel. Her selection of the Javanese shadow puppets corresponds to the fantasy and the whimsical aspect of Walt Disney World, and the other artifacts represent the international scope of the Epcot World Showcase.

Perhaps the most intriguing pieces in the folklore collection are the 17 antique puppets, which are more than 100 years old. The Wayang Kulits—Javanese puppets—are made of leather that has been flattened and treated. The original cutting and painting of the figures demands great skill and takes months to complete. Each detail symbolizes an aspect of character, personality or status, such as the shape of eye, nose, adornment, headdress, etc. The smaller and more delicate the figure, the higher the status. Fascinating as the puppets are, they are more than unusual decorative pieces, more than works of art. In Java, this Wayang tradition still commands deep emotional and intellectual adherence and provides the modern Javanese with an understanding of their relationship to the natural and the supernatural order. In the Hyatt Orlando, with its open-air ambiance, they add warmth, depth and an intimate presence. ☐



BUSINESS FAILURES

Shuttering Without Shame

"I probably learned more from closing one restaurant than I have from all my successful ones," says Jim Errant, who closed his restaurant Jason's in 1983. Errant now owns and operates five restaurants in the Chicago area.

"Psychologically, a restaurant that's failing can really bring you down," says Errant. "It's rough on your home and your business—you start losing confidence in your decisions. It was especially tough to close Jason's because my family was telling me, 'No, keep it going.' That's strong pressure, but I just finally had to say, 'No, it's time to close it.' "

Jason's was initially a successful restaurant that was something of a spin-off from Errant's prosperous Chicago Claim Company. But in spite of Jason's popularity, Errant was never quite comfortable with its decor and feel. Errant asked the designer to revamp the place, and he changed Jason's to look more upscale. Business dropped off almost immediately. At that point, Errant stepped in. He dropped the designer, took a hard look at the operation and decided that closing Jason's was the best option. "I was living someone else's ambiance with that restaurant," says Errant. "We were fortunate that we could afford to close Jason's—we had other restaurants going. Sometimes it gets to where you don't want to throw any more money into something you don't believe in."

It's part of the business

Failure is not uncommon in the restaurant business—or in any small business. With a high number of variables involved in the production, sales and service of food, there are plenty of ways to go wrong. Added to these variables is the fact that restaurants are cash-flow businesses, dependent on daily receipts to finance continuing operation. If not properly financed from the outset, a restaurant may not be able to wade through the initial stage of a restaurant's life cycle: building a customer base.

But how do restaurant operators know whether they are experiencing a brief downturn in sales or whether they have a declining operation on their hands? "A good sales and marketing analysis will tell you if your problem is day-specific, market-specific or season-specific," says Don Winter of Winter and Associates, a hospitality industry consulting firm in Sausalito, California. With that analysis in hand, a restaurateur should be able to determine whether or not it is time to shut down.

Restaurateur Jim Errant, however, thinks the signs of impending doom should be obvious. "You have to know your business," says Errant. "Unfortunately, a lot of people don't

Paul Moomaw is a communications specialist at the National Restaurant Association.

know their business, and they don't know which mistakes are hurting them. The best way to find out what mistakes are being made is to talk to your customers. I've never been in a situation in which I didn't know the reason for a downturn."

Sometimes you have to read between the lines, however, rather than just listening to what people say. If a regular customer used to give rave reviews of the food and now says only that it was okay, that customer has let you know he was disappointed.

Not understanding an operation's problems is often the result of a hands-off management style in which a restaurateur loses touch with customers and employees. "Absentee management in the restaurant business usually isn't wonderful," says Marilyn Wayne of Wayne and Associates, a business brokerage firm in Falls Church, Virginia. "There are too many variables involved for you to let someone else take care of it all. It's a cash-flow business; so if you don't count your money every day, you don't know what you have. And there are so many perishables. It's not like an inventory business in which you have 12 screwdrivers, and if you sell four, there are eight left."

You have to ask

"Listen to your employees," says Gary Jones of Petrinovich, Pugh and Jones, an accounting firm in San Jose, California. Jones is a frequent consultant to restaurants in California's Silicon Valley region. "Do a survey," he says. "Either have employees fill out a written survey or call them in and form committees to discuss the operation. Employees often know more than they tell you. You have to ask." Employees may have friends and family who dine in the restaurant and give honest feedback about the food or the service. Yet employees may feel that it is not their role to tell the restaurateur how to run the business—unless they are asked.

Jones has witnessed numerous bankruptcies recently in Santa Clara County—a fact he attributes in part to declining liquor sales. No matter what the reason, the symptoms are usually similar. "A downtrend in sales, your creditors are after you, you're being converted to C.O.D. from credit, your accounts payable are aging—these are all signs of a failing operation," says Jones. "It's like a disease. There are early warning signs, but restaurateurs are so busy they sometimes miss the obvious."

Even restaurateurs who see the writing on the wall will sometimes deny that their operation is failing. "We get a lot of resistance from some of our clients," says Jones. "They say, 'It's just seasonal.' Seasons in the restaurant business don't last that long. That's another signal of a failing operation: You're not coming out of a seasonal downturn, and your competitors are."

Whatever the reason for the tailspin of an operation, Jones warns not to get behind on tax payments. "I have one piece of advice for owners of a declining operation: Do not put off payment of payroll tax or sales tax. Too many restaurateurs finance their declining operations with money that should be set aside for taxes. "The tax people may be the last ones to knock on your door," says Jones, "but they knock the loudest."

The last straw

Many restaurateurs make the decision to close their businesses when they are hit with a new lease that calls for a substantial rent increase. This is often the last straw when a restaurant operator has been considering closing an operation. Clive DuVall recently shut down his Houston restaurant Tila's when he foresaw declining profitability in light of a substantial rent increase. "My lease was up, and the renewal rate was much higher and for a much longer term than before," says DuVall. "And I was in an area I no longer wanted to be in—an area of Houston that had gone bad." DuVall now feels more comfortable with a Tila's he opened in Chevy Chase, Maryland, a Washington, DC, suburb he describes as the "Rodeo Drive of Washington."

Making an exit

Is there a way to salvage more than the value of the pots and pans in getting out of the business? Maybe. But if you've already closed your operation, it may be tough to find a buyer willing to pay more than the price of your property and equipment.

"Most sellers don't get the price they'd like for a restaurant," says Marilyn Wayne. "Buyers are looking for a bargain they can turn around."

Gary Jones recommends that a restaurateur looking to sell an operation try to maintain the appearance of success. "If buyers smell that you're in trouble," says Jones, "they'll really seek a bargain price. So keep your problem quiet to the general public. I know a client—he was very well off—who was able to keep the appearance of strength at his failing operation. And he was able to wait and secure a good sale price for it.

"Once buyers have smelled blood, you're in trouble. Selling a restaurant is not like selling real estate or a home. There are a limited number of buyers."

Whatever your reasons for leaving a restaurant behind, there are several ways of getting out of the business. If you lease your location and the lease is up, you can simply hang out the "CLOSED" sign and walk away—your only responsibility would be disposing of the restaurant's assets and paying any outstanding liabilities.

If you own the property your restaurant sits on, you have the option of selling your property as a restaurant business as opposed to selling it as just real estate. "The whole is greater than its parts," says Wayne. "If you have a kitchen and a lease, then that is worth something." If the location is good, it might be worth a great deal to a buyer comparing it to the cost of building a restaurant from the ground up, since the number of prime sites that don't already have some kind of building on them is extremely small. "For that reason alone, conversions are becoming more and more typical in the restaurant industry," notes Steven Brown of Alex Brown and Sons, an investment firm in Baltimore, Maryland.

A clean getaway

The majority of people closing an operation, however, are tenant restaurateurs who have no concept to sell—just plates, pans and prep tables. Restaurateur John Grisanti, who recently closed his Grisanti's restaurant in

Memphis before starting up a new project, has some simple advice for those in the wake of a restaurant failure: Make a quick, clean getaway. "After we closed Grisanti's, the landlords wanted us to get the stuff out of there immediately. My advice is to get [your equipment] to an auction as soon as you can, sell it for what you can get and chalk it up to experience. Don't do what I did. I put it in storage, paid a couple hundred dollars a month for that, and the equipment isn't getting any more valuable." Unfortunately, auctioneers explain, used restaurant equipment goes for about "a dime on the dollar."

Like many others who have closed restaurants, John Grisanti believes that his decision to do so was a good one. "When you work hard and don't see any profit at the end of the month, that's tough," says Grisanti. "We struggled with it for three years. It wasn't losing a lot, but it wasn't making a lot. So after two years, we started making plans for another place."

Grisanti quickly opened a new restaurant, Peter K's, that he thinks has a much brighter future. "The new place is in town, and it's a seven-days-a-week, lunch-and-dinner restaurant, whereas the old place was dinner-only, six days a week. We were a little ahead of our time at the old location. That neighborhood is still a few years away," says Grisanti, referring to the shuttered site in suburban Memphis.

In closing

Shuttering a restaurant may not be as gloomy a task as expected. Instead, it should be seen as a part of doing business in the volatile restaurant industry. And it can lead to better things. "I'm that much stronger for the mistakes I've made," says Jim Errant. "After the closing, I put more responsibility back in my hands so I'd have no one to blame but myself. Just to have it [a failed restaurant] behind you is a great feeling. You know, you have to know when you're doing something right, but you also have to know when you're doing something wrong. If you think you should never make a mistake, that's when you won't admit one." ❑

Reflections on Staying on Top

There is no one formula for success in the restaurant business, but there are key points to keep in mind if you want your restaurant to be more than an overnight toast of the town.

Don't expect to dine at New York's Caffe Roma or Baton's; Chicago's Dixie Bar and Grill or Cucina, Cucina; San Francisco's Anabelle's or Restaurant 101; or Denver's French Quarters. All of these restaurants, once darlings of the glitterati, have shuttered.

Like meteorites, which speed through the air, dazzle our eyes and then vaporize into nothingness, these trendy restaurants—often opened to considerable fanfare—are initially filled to capacity by the "beautiful people," and then, as quickly as cash-flow problems arise, fade from the scene.

Many trendy restaurants manage to survive, of course, and some become hallmarks of excellence. Just what makes the difference between success and failure is often difficult to describe, but here are some points to consider.

1. **Diversify your appeal to several markets.** One group of customers will not sustain business over the long haul. When Piero Selvaggio first opened Valentino's in Los Angeles in 1972, the Hollywood set flocked to his restaurant to dine on his authentic Italian food. But he learned fast that to meet his expenses he would have to appeal to a broader market than just the film crowd. Through word-of-mouth recommendations and advertisements, Selvaggio started drawing conventioneers and locals to diversify Valentino's appeal.

At the Sardine Factory in Monterey, California, co-owner Ted Balestreri says that his restaurant's success also comes from a mix of customers—a strong local following combined with the many tourists who come to Cannery Row. And at Jasper's in Boston, owner Jasper White says that the $60-per-person dinner fosters an older, upscale audience at his eatery. But he has marketed Jasper's as the place to go in Boston for a celebration. As a result, each night anniversaries and birthdays are celebrated at Jasper's.

2. **Serve a quality product.** Food is often the driving force behind a thriving restaurant—whether it's an intricate five-course meal or a spectacular single offering. Top restaurants usually go that extra mile to find quality ingredients. Some contract with farmers to grow meats, produce or fresh herbs or buy into a fishing company to ensure a supply of absolutely fresh seafood. Others purchase special equipment to smoke meat, or make pasta on the premises or bring extra staff on board to produce signature chutneys, pastas, flavored vinegars or baked goods.

"Never cheat on merchandise. Always buy the best you can," says Andre Soltner, chef-owner of New York's Lutece. "We are here to give enjoyment, and you just cannot do that with second-rate food."

3. **Offer value for the price.** A deliberate emphasis on value and substance can help a restaurant find—and keep—its niche. Henry Dinardo, chef/owner of Windows in Arlington, Virginia, maintains that a focus on value has contributed to his restaurant's success.

"When we opened, we knew there was a slight slump in the market for fine food—customers were resisting the high cost," he says. "So we set our prices somewhat lower than other restaurants serving comparable food. Instead of salmon and lobster in a painstaking nouvelle presentation, our customers get larger portions, arranged simply."

"If people think, 'I had to pay so much it wasn't worth it,' they won't return," declares John Buchanan, managing partner of Hat Dance, a Lettuce Entertain You restaurant in Chicago, and a veteran of 18 years in the restaurant business. That goes for investment bankers making $400,000 a year or forklift operators making $4 an hour. "Everyone wants value for their money."

4. Provide a personal touch. People may go to top restaurants for the food they have heard about, but they are likely to return for the warm welcome and competent service they are confident of finding there.

"Our strength is the personal relationship . . . [that's something] you cannot buy," says Soltner. "It is always difficult to fight against people who have more money than you have. But big money doesn't need a personal touch."

Other operators agree that service is the cutting edge of success or failure. Lee Friedman, managing partner of Melrose in New York and formerly with Baton's, is an avid believer in personal attention.

Friedman says he has learned from Baton's' miscues. After Baton's came to be known as the place where Manhattan's elite dined, its owners moved on, causing its trendy clientele to feel unrecognized. A host or hostess, who changed weekly, would greet patrons with, "Do you have a reservation?" instead of "How are you doing tonight, Calvin Klein?"

Recognizing customers and giving them special attention is one of the main reasons why customers become your steady clientele, suggests Friedman. "I know what my regulars eat, where they want to sit, and if they order tuna each night. I have one customer who dines every Thursday night at 10:30 and orders salmon. We know how he likes it prepared."

5. Create a sense of belonging. "Unfortunately, these days, restaurant critics tend to disregard everything except the food in front of the guest," says restaurant consultant George Lang (New York City). "That's the most important thing, no question about it. But the decor, the light level, the noise level—whether it's as quiet as in a church, or as noisy as a pandemonium in a Western when the cattle get loose—have to be just right for the particular place. Everything should reinforce a sense of belonging."

6. Develop a team. Even the most appealing atmosphere or attentive owner won't attract customers if the busboys are surly, the hostess nasty and the waiter uninformed. You need a caring, informed team. "One of the keys to surviving is to forge a family out of the staff—from the managers down to the busboys—because without this, there is not a chance you can force or control them to offer full-time hospitality," says Lang.

Other restaurant insiders contend that training one's staff—managers and servers—can make the difference between having a restaurant last for 10 years or for only one year. That's why Jasper White holds daily half-hour conferences with all waiters, reviewing the day's menu, new wines and service rules. "The staff," White says, "get quizzed. If they don't know the menu, they don't work here."

Selvaggio of Valentino's uses the personal approach to train his staff to offer sensitive service and anticipate customers' needs. New waiters "follow me, ask questions, observe me" and learn his style, he says. This personalized approach helps to inspire peak performance.

7. Create a solid foundation. There is no substitute for a well-run operation, and a good management system begins even before the doors open. "The restaurant that has a chance to survive is the one that does not happen casually," says Lang. "The formula you create has to be such that on the day you open you have a break-even point. Even then, the chances of making it are very hazardous, but at least you are reducing the likelihood of failure."

Undercapitalization, agrees Buchanan of Hat Dance, is one of the main reasons why trendy restaurants sizzle and then collapse. "If you want to have everything going for you in terms of location, decor and proper equipment that won't break down, you may have to spend money up front. Restaurants often do business for a short while, and then when the novelty wears off, sales slip." Buchanan asserts that many restaurants fail because their owners "do not know how to control costs and operate a business effectively."

Today, with competition increasing, business skills are more important than ever before. Fortunately, computers have contributed significantly to back-office sophistication. Every cost, every price, everything that has to do with the business side of a restaurant can be recorded and summarized quickly to stay abreast of the business. (See computer story in this issue.)

8. Plan for change. To stay successful, the top restaurants have to be fast on their feet. "Change is the secret of longevity. Without it, the great restaurants of today will become the mediocre restaurants of tomorrow," says Ted Balestreri. Yet it's hard to keep the high level of energy, of excitement, in running a restaurant year after year. At Denver's Rattlesnake Club, co-owner and chef Jimmy Schmidt watches over his restaurant 12 hours a day, often six or seven days a week, "to recognize regular patrons, to make sure they're well taken care of and to constantly discover what patrons want." In fact, the menu changes regularly. New sauces are tried to invigorate dishes; presentations are changed to give dishes a new look.

Food is not the only thing that changes. In fact, decor can often become outdated before the menu does. Even nationally acclaimed establishments don't rest on their laurels. Lutece, Valentino's and Jasper's have all had facelifts in the last year or two to give them a more up-to-date look. "The stage is important," says Valentino's Selvaggio.

9. Stay involved. Undeniably, the great restaurants add up to more than their food, hospitality and location: It's that indefinable thing called "spirit." The great restaurants have always been a strong personal statement by one or two people. "To stay on top you have to be very serious about the business," says Andre Soltner. "You created this business. It's your image, and you have to make it go. You cannot hire somebody to replace you. That is the secret."

When it's all said and done, cites Balestreri, there's more than food, atmosphere and service that keeps a restaurant going. Love is the final ingredient in the mix. "You gotta love your restaurant," he says. "Every day, you gotta love it, treat it like your only child, nurture it, watch it, keep it clean, keep it exciting and healthy, but keep it uniquely yours." ❑

Be Gentle, It's My First PC!

by William C. Schwartz

The first-time buyer's guide to personal computers

The time has come. You've been putting off the decision to buy a personal computer (PC) for your operation for a long time, but you can't avoid it any longer. Everywhere you look, people are using PCs—your suppliers, your friends, your neighbor's kids and your competitors. You're surrounded.

Even the language on the street is confusing. You used to think that a "hard drive" involved dirt roads or that "ram" meant a male sheep. And "bugs" were what you paid the exterminator to kill, while "hardware" was for building and fixing things. As Alice in Wonderland said, things just seem to get "curiouser and curiouser."

Not being the type to let mass confusion slow you down (after all, you run a foodservice operation), you refuse to be intimidated any longer. So you've decided to jump on the bandwagon, catch the wave, dive in and get with some "programs." Still, deep down, uncertainty and fear of the unknown linger. Every now and then—for just a "nanosecond"—you wonder: "Will I buy the wrong thing? Will it do what I want? Will I spend too much? Will I 'byte' off more than I can chew? What if I get with the wrong program?"

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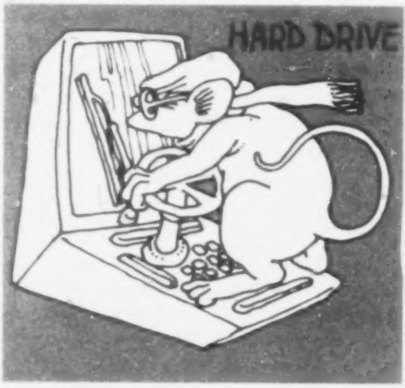
It doesn't take a "megabyte of memory" to realize that knowledge is the key to success when considering a computer purchase. And you don't need to know everything about computers to make a smart decision. There are people who make a living selling computers who know next to nothing about them! All it takes is a "basic" understanding, some running around and a checkbook or credit card. And in a few "clock ticks," you can join the ranks of the more than 16 million personal computer users.



Max Karl Winkler

Getting a handle on hardware

Simply stated in foodservice terms, a computer system eats information (input), briefly chews on it (processing), and either spits it out (output) or keeps it down (storage) for later use. And there you have it. From that basic level, we can now proceed to actually naming the components.

Everyone knows what input means. Usually this is done with a keyboard, but you may have noticed some people talking to their computers. Although this practice may have some psychologically redeeming value, the computer doesn't listen (but the day may come).

The processor is the real workhorse of the computer. Think of it as a general manager in chip form. It is involved in everything the computer does. It directs traffic between input, output and storage functions; it does all the math, and it follows instructions—lots of instructions.

The processor is somewhat finicky, in that it will only deal with data handed to it on a silver platter. That silver platter is called RAM (random access memory). Think of RAM as you would think of your own memory, only in chip form. All information (data) must be placed in memory before it can be used. As a result, all computer systems must have RAM.

One reason RAM is necessary has to do with speed. For humans, it is much faster to recall a memorized phone number than to look it up in a phone book. The same goes for computers. The processor can retrieve data much more quickly from RAM than from any other type of storage device. In fact, without RAM, computers would be real yawners.

But there is at least one piece of bad news. When the power is turned off, everything stored in RAM is erased (which is why they call it temporary storage). And as if that weren't bad enough, RAM is the most expensive type of memory you can buy.

Magnetic disk and tape are the most common means of permanent

storage. Found in all shapes and sizes, they have a magnetic film coating that can be written "to" or read by disk or tape drives, machines that generally drive in circles at a high speed. Tape is usually used only for backup purposes, as a form of insurance. Data is permanently written onto the disk or tape by a magnetic head similar to those used in cassette recorders.

Of course, the data written to disks or tape can be lost by physically damaging the disk or tape (hand it to any two-year-old), by passing a magnet close to it (scrambled data), or by simply writing over the data with some different data. The only protection against these high crimes is a recent backup, usually on tape.

No computer would be complete without some way for us humans to see what is going on. It would be helpful to be able to see what we type, what the computer does with it, and maybe even some pretty pictures from time to time. We would say that we need to monitor the computer, since we never believe what we can't see.

Well, in order to monitor, you'll need a monitor. There are a variety of names for monitors, like CRT (cathode-ray tube), screen and tube. Regardless of what they're called, monitors come in various shapes, sizes, colors and price ranges, and look like small TV sets without channels or remote control. They don't need channels because they have cable. Not the home-viewing variety, but a cable that runs from the monitor to the computer.

Finally, you will need to get information out of the computer and onto paper. The printed data can then be stacked in huge piles on a desk, hung from the walls or delegated to the circular files. The two computer terms for printed matter are printout and hard copy, neither of which makes any particular sense, since very few people do their printing outside, and most documents are easy to copy.

It's decision time

It would be much easier to make decisions if we didn't have any choices. Unfortunately, that is not the case with computers. To ease the burden slightly, I am providing some recommendations (called *Author's Choice*), which you may want to consider.

☐ **Apple or IBM—pledge allegiance.** Assuming only one person will be using the computer at a time (single user) and depending on the software you select, you will be forced into one of two basic computer worlds. Your software will specify either Apple or IBM compatibility.

The Apple world is a dictatorship controlled by Apple Computer, Inc., manufacturer of Apple and Macintosh computers, among other things. The people who live in the Apple world are devoted followers, especially those who use Macintosh ("Mac"—absolutely no relation to the golden arches). You should never try to convince a Mac owner that any other computer could be as good or better. It is an exercise in futility. You will also notice that most Mac users can be frequently seen pushing a mouse around on the table while they work at their computers!

While the Apple world is a dictatorship, the dictator is perhaps the most creative and advanced in the world. Apple was introduced long before IBM's PC, and Apple computers are much easier to use for people new to computers. For this reason, Apple has successfully achieved dominion over the elementary schools of America.

The Macintosh spawned a revolution in user-friendly computer design with its ease of use and high-quality, graphics-oriented (pictures-on-the-screen-instead-of-words) approach. The IBM world is only now beginning to acknowledge the superior design of the Macintosh/user interface.

On a more negative note, Apple has been unable to convince the majority of software manufacturers to write software for its equipment. As a result, the software available to run on the Apple is quite limited, compared to that of the IBM world. This becomes especially apparent when looking for foodservice software.

The IBM world is a democracy, and though it is not controlled by any single company, you would have to consider IBM a superpower. As you know, superpowers have a habit of forcing others to do things their way. When IBM introduced the PC, the company effectively set new standards for the industry, both in hardware design and, perhaps more importantly, in operating system software. In a move that made Bill Gates a multimillionaire and Microsoft a major company, IBM combined efforts with Microsoft to produce MS-DOS (aka PC-DOS), the software that operates the PC.

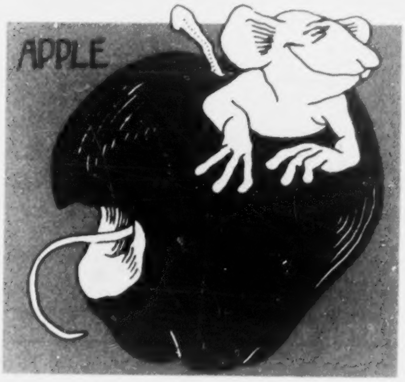
COMPATIBILITY

Companies around the world started to follow IBM's lead, building computers that looked like the PC and were operated by MS-DOS (MS stands for Microsoft, and DOS stands for disk operating system). The result was the ability to buy software that would run on hundreds of different manufacturers' computers—not just one. The word compatible took on a new meaning, indicating that the machine you were considering would run software developed for the IBM PC.

Thousands of companies began developing both hardware and software that could run in the IBM world. Included in this plethora of new products are software packages for restaurants, hotels, institutions and other foodservice environments. IBM-compatible product lines continue to improve and expand.

In fact, much to the dismay of IBM,

a whole new race of computers called IBM clones have found their way into the marketplace, sporting similar or improved capabilities, complete compatibility and prices as much as one-third lower than the brand-name systems (clones usually don't have recognizable brand names). Clones are quite popular among the more knowledgeable computer users.



Author's Choice: The IBM world—because it has more foodservice software, more hardware choices, and a wide range of prices.

□ **Process this!** I don't care who makes it, what they call it or how it looks, there are only three kinds of personal computers in the IBM world. There are slow ones, medium-speed ones and fast ones. You can easily tell which one you are looking at by asking one simple question: "What is the model number of the Intel processor in this computer?" Intel is the company that manufactures the actual computer-processor chip found in most PCs. All you need to know is which Intel processor the machine uses to determine the relative speed of the computer. Luckily, there are only three model numbers to consider:

Model number	Speed
8088	slow
80286	much faster
80386	blinding speed

Most PC processors are rated in megahertz (MHz), which is a frequency measure dealing with electronic cycles. One MHz would be equal to one million electronic cycles per second. Now isn't that special!

The slowest processor is the 8088. Introduced with the first PCs, this chip operated at speeds of almost 5 MHz. Since then, the speed has been increased through various schemes, and the resulting systems usually have the word turbo in the title. Regardless of how much they increase the speed of the chip, the processor can only deal with groups of eight ones and zeros (bits) at a time.

The middle-of-the-road processor is the 80286, called the 286 for short (makes sense). This chip was used in the IBM-AT computer, and ever since then, computer folks have called computers with 286 processors "AT-Class" systems. The 286 runs between 8 and 12 MHz, depending on the computer, and manipulates 16 bits at a time. For most applications, this translates to four or five times the speed of the 8088 chips!

The fastest processor on the market today is the 80386, or 386 for short. This chip handles 32 bits at a time and runs at speeds between 16 and 25 MHz. Simply stated, this chip is current state of the art. It easily handles multiple users simultaneously, can be stocked with more RAM, and generally operates at least two or three times faster than the 80286. It also happens to be the most expensive. This processor would be most useful in a network environment (many PCs tied together). It is required by some multi-user systems.

Author's Choice: The 80286. It's the best all-around processor for the money.

□ **The RAM decision.** This one is easy. The maximum amount of RAM usable by MS-DOS is 640K (the K is short for kilobytes). In case you were wondering, 1 kilobyte is equal to approximately 1,000 bytes (the actual number is 1,024 bytes, but who's counting?). You can think of a byte as the amount of memory needed to store one alphabetic character. Therefore 640K would be the memory required to store 640,000 characters. Any system you buy these days should have at least 640K, since many of the better software packages won't run with less, and many that can run with less run better with 640K. All computers come stocked with some amount of RAM.

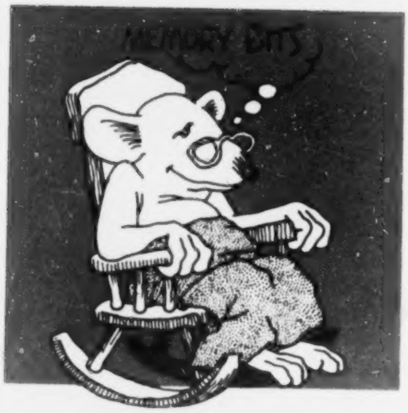
Author's Choice: 640K.

□ **Dealing with disks.** As mentioned previously, disk drives are used for permanent storage. Most systems these days have at least two disk drives: one for floppy disks and one for hard disks. The names fit. Floppy disks are thin circular sheets of magnetic tape material. Hard disks are solid platters made of metal (usually) and coated with magnetic material.

Floppy disks—portable storage. Whoever said you can't take it with you obviously was not referring to floppy disks, which can be removed from the machine and carried, mailed or filed. Floppy disks are used to store relatively small amounts of data, and they are relatively inexpensive. They are also quite slow when it comes to data retrieval.

There are currently two main sizes of floppy disks. The more popular type is 5¼ inches in diameter, and it is enclosed in a flimsy jacket (usually black). If you hold the disk jacket by the edge and vigorously shake your wrist, the disk will "flop" back and forth (and perhaps become unusable). A newer type of floppy disk is 3½ inches in diameter, and it is enclosed in a plastic jacket (usually blue). Because the jacket is solid, this disk will not flex like the 5¼-inch disks, and is consequently more durable.

Floppy disks also come in different densities. The term density refers to how much data the disk can hold. The more data it can hold, the higher the density, since the disk size stays



the same. The way to get more data in the same amount of space is to cram it together more tightly. Currently, both 5¼-inch and 3½-inch disks are available in two densities—double density (normal) and high density. Storage capacities are as follows:

	Double	**High**
5¼-inch	360K	1.2Mb
3½-inch	720K	1.44Mb

You already know that "K" means kilobytes and represents 1,000 characters of data. Once you get to 1,000K (1,000,000 bytes), the term megabytes (Mb) is used. One megabyte is equal to 1,000K, or one million, characters of data.

Every computer needs at least one floppy disk drive, because software you buy in the stores is shipped on floppy disks, and because you will need a way to make backup copies of the data you store on the hard disk. Because the 3½-inch disks are a newcomer to the computer scene, it should come as no surprise that most software is shipped on 5¼-inch disks. This trend will reverse as 3½-inch drives become more prevalent. In fact, most software manufacturers will either supply both disk sizes or will replace 5¼-inch disks with 3½-inch disks upon request.

Author's Choice: One high-density disk of either diameter. My personal preference is 3½-inch, but there are a number of disadvantages. The best of both worlds would be two high-density drives, one of each diameter.

Hard disks—you can hardly do without one. The hard disk serves as your mass-storage device. While floppy disks can hold from 360K to 1.4Mb, hard disks can hold from 10Mb to more than 800Mb! In order to get these types of capacities, hard-disk drives are sealed units in which multiple disk platters spin at very high speeds. Data is written on both sides of each platter by read/write heads which float so close to the disk surface that a smoke particle would be many times larger than the space between the head and the platter. That's why hard disks are sealed!

Programs and data purchased from computer stores and other sources are usually copied from the floppy disks on which they are shipped onto the hard disk. It's possible to have thousands of programs and data files on a single hard disk. Once you have located them on the hard disk, you can access these programs at any time, without having to locate the disk they were on. The concept is similar to that of taping record albums.

Although hard disks come in various physical sizes, the most important considerations when selecting a hard disk are how much data it can hold and how fast it is. Hard-disk-drive capacity is rated in megabytes (Mb). In 1985, 5 or 10Mb drives were commonly purchased. In 1988, you are more likely to see people buy 20, 40 or 70Mb drives. Because of the tremendous and rapid advances in disk-drive technology, capacities are continually increasing. Most drive manufacturers discontinue production of lower-capacity drives as larger drives are released.

Another example of the advances that have been made concerns the speed of the drive. Drive speeds are stated as the number of milliseconds (ms) it takes for the drive to locate (access) data on request—access time. The lower the amount of time required, the faster the drive. Whereas 1985 vintage drives had access times of more than 120 milliseconds (ms), current drives reduce access time to less than 30ms—or four times faster. And while the numbers alone might seem strange, consider that your computer will never be faster than its slowest part. The processor is much faster than the disk drive, and so it must wait for data to arrive from the drive before it can act. With such a heavy reliance on the disk drive, system performance improves dramatically as drives get faster. Putting a slow disk drive on a fast computer would be like putting a badly scratched record on a great stereo system.

So how much capacity do you need? Most people find that what they thought was a lot of space can become cramped in very little time. While a typical word-processing package may take only 1Mb, the documents you write start piling up. Unless they are removed from the disk, you will continue to chew up disk space. The typical accounting software package requires 5Mb at first, but growing history files can take a toll. The rule of thumb is to add up the amount of space required by all the software packages you think you might buy, and multiply by four.

Author's Choice: At least 40Mb, with access times under 40ms.

☐ **Eyeing the monitor.** Monitors come in all shapes, sizes and price ranges, but at the most basic level there are two choices. You can have a color monitor or a monochrome monitor. The word monochrome means one color, and it is usually either white, green or amber on a black background. Actually, it is not as simple as it used to be, since some of the newer monitors can display grays as well, but it is easiest to think of as a choice between color or no color.

Monochrome monitors are less expensive and can be much crisper than some of the less-expensive color monitors. This "crispness" is called resolution in computer terms, and the higher the resolution, the crisper the picture. All data on the screen is displayed with lines of tiny dots. The more dots you stuff on a line, and the more lines you display on the screen, the better things look. The number of dots and lines the monitor can display is one of the key statistics in the monitor decision. A monitor with 320x200 resolution (320 dots per line, 200 lines per screen, or 64,000 total dots), has a lower resolution than one claiming 640x480 resolution (307,200 dots).

To complicate things further, monitors require circuit boards to operate. Called video adapters, these boards are usually purchased separately from the monitor and are installed inside the computer. A cable connects the video board with the monitor. Standards were introduced to allow software to be developed to run the monitors. Think of these standards as different languages.

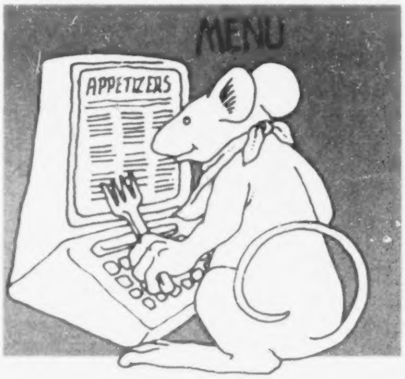
Originally, when the PC was first introduced, there were only two choices: monochrome and color. The monochrome language was called MDA (monochrome display adapter) and the color language was called CGA (color graphics adapter). At first, MDA could not display graphics. However, a company called Hercules introduced a board for monochrome monitors that added this capability, and as a result, built their own language called HGA (Hercules graphics adapter). Others have since followed Hercules' lead, and now most monochrome boards include graphics and are called monographics or MGA (monochrome graphics adapter) boards.

The CGA monitors were good for pictures, but because of their relatively low resolution (320x200) they were difficult to use for text or finer graphics. The letters would appear blurry. As technology marched forward, EGA (enhanced graphics adapter) was introduced, and with EGA, color became a clearly superior alternative. Resolutions of 640x350 were not uncommon. Both CGA and EGA are capable of displaying up to 16 colors.

The most recent development in monitor technology was introduced with IBM's new Personal System/2 (PS/2) line of computers. Called VGA (video graphics array), this new technology allows for resolutions of 640x480 in 16 colors or 320x200 in up to 256 colors from a choice of 262,144! VGA, as implemented by IBM, requires an analog monitor (most PC monitors are digital), but some board manufacturers have released VGA boards that can operate both digital and analog monitors.

All this confusion can be translated into price ranges. The least expensive approach is monochrome. Monochrome monitors can be purchased for around $100, and mono adapters can be had for as little as $50. Color monitors are more expensive, with CGA monitors in the $250-$400 range, and EGA or VGA monitors starting at $450 and going up from there. CGA boards start around $100, and EGA or VGA boards can be found for $350-$600. Remember that both the monitor and the board will be necessary. By the way, VGA comes standard with the IBM PS/2 line and is not purchased separately, although the monitor is.

Author's Choice: On a tight budget, start with monochrome. If you can swing the funds, EGA with a medium-resolution monitor would be fine for most needs.



□ **And now to print.** Printers come in three basic forms. You can choose among dot-matrix printers, character-impact printers and laser printers. You may also select either wide carriage (for printing on wider, 132-column computer paper) or narrow carriage (for standard, 80-column 8½x11-inch paper).

Dot-matrix printers have guns loaded with tiny pins that shoot out at a ribbon to produce characters. As a result, the characters are actually a group of dots. These printers are usually rated at speeds between 100 and 300 characters per second (cps). The better printers have more pins in their matrix than the less expensive ones. Prices range from $200 to $1,500.

Character-impact printers are just like typewriters. Using thimbles, balls or daisy wheels, fully formed characters are smacked against the ribbon. The result is typewriter or letter-quality printing. These printers are usually slower, ranging between 300 and 100 cps, and they are generally more expensive than dot-matrix printers. Prices range from $600 to $2,000.

Laser printers operate in a manner similar to that of a copy machine. They have drums and toners, and they print one page at a time. Laser printers are actually computer systems, with processors and RAM, and can produce graphics and near-typeset-quality documents using a variety of type styles. These printers are much more flexible, generally faster, and of course, more expensive than either of the other two types of printers. Laser printers cannot typically handle wide paper. Prices range from $1,800 to $6,000.

Author's Choice: A wide-carriage dot-matrix printer with a speed of at least 150cps.

Wrap it up

Pat yourself on the back! You now have a basic understanding of computer hardware and a new arsenal of words to use on the street. Remember that with any computer purchase, you should first consider the software that you plan to use. Don't get carried away by technology and seductive displays. Ask questions until you feel absolutely comfortable with your decision.

Warranty, support, installation and training should be considerations when buying your first system. Although maintenance contracts are usually not necessary, having someone to call if something goes wrong is a good idea. Brand names are not as critical when buying computers as are compatibility and service ability.

Finally the checkbook consideration. For a complete, low-end (8088, 256K, monochrome, 20Mb hard-disk, dot-matrix printer) plan to spend between $1,500 and $3,000, depending on the brand. For the suggested system (80286, 640K, monochrome, 40Mb, dot-matrix printer), the outlay should range from $2,000 to $4,000. Add $750 for EGA (color). If you want to go in style, the 80386 systems—with color monitors and laser printers—range from $5,000 to $15,000.

Regardless of your choice, you are sure to gain valuable insights; and with the right software, you will increase your profits and decrease your time requirements. The world of possibilities and capabilities is limited only by your imagination, creativity, skill and—yes—your checkbook. ❑

To Your Health

Software packages for computing calories

Computers are becoming as essential to a foodservice operation as a good set of knives. Operators are using programs for purchasing, receiving, inventory control, accounting functions and even nutritional services. Some innovative chefs and managers use nutritional software packages to calculate the nutrient content of their culinary creations. Nutritional software packages have been commonly used by nutritionists and dietitians, but many are designed for use by foodservice administrators and the layperson as well. Not all restaurateurs will be interested in purchasing a nutrient-analysis program, of course, but those who have or plan to develop menu items reduced in calories, fat, sodium or cholesterol will find it most helpful, especially during the recipe-creation phase. As with many programs, it takes a little time to become familiar with the specifics of the nutritional packages, and it helps to be familiar with personal computers in general.

The advantage to using a computerized nutritional system lies in the time it saves. Calculating nutritional content manually, by using tables and charts, is tedious, time-consuming and frustrating, especially to the uninitiated. In contrast, a computer generates the same information within minutes of receiving a recipe. For example, a chef developing heart-healthy menu items can create a recipe, check the nutritional content instantly and revise accordingly.

Nutritional software programs vary in capabilities and features. Although the results are the same, some nutritional software packages are more "user-friendly" than others. The ingredients of a given recipe are entered into the computer one by one. Some programs assign code numbers for the foods (printed in an accompanying manual) that can be used instead of entering the food by name. This process can be time-consuming, especially if the list of codes is not presented in an organized manner.

On other programs, the ingredient can be entered by name or category, and a list of choices often appears on the screen. The most appropriate food is then entered using the cursor. Some programs feature both methods.

Once the item is entered, the measure or amount must then be fed into the computer. Most programs feature a choice among measuring units (cup, teaspoon, etc.), weights (ounces, grams, etc.) and other units (one egg, one can, etc.).

The number of foods in the data bases varies from a low of 100 to more than 8,000 items. The advantage of a more extensive data base is obvious. In addition to the convenience of size, the system's ability to reduce or expand the data base should be considered, especially if your recipes feature unusual ingredients or foods.

As with the number of foods, the number of nutrients (protein, fat, calories, etc.) and constituents featured on the analysis varies considerably from program to program—from a low of eight to a high of 70. Many of those nutrients, such as amino acids or B vitamins, are not of interest to foodservice patrons, and some programs allow the number to be edited or scaled down to suit your interests.

On the other hand, food constituents that may be of concern to patrons, such as sugar, alcohol and caffeine, are not featured on all programs. Moreover, the maximum number of recipe ingredients a computer can handle ranges from 12 to 45—a consideration for those with intricate or complex recipes.

Some programs allow you to enter and store information on a recipe that may be used as a base in other items. White sauce, for instance, could be entered, analyzed and stored and then recalled by name—"white sauce"—as an ingredient in another recipe. Also, most programs will assess nutritional contribution of a serving by comparing it with the U.S. recommended daily allowances (U.S. RDA), a predeveloped standard, similar to the information provided on a label of packaged food.

Nutrient-analysis software packages can be purchased for as little as $100 for a basic program. Prices increase with the level of sophistication and the number of options. Comprehensive programs are priced from $500 to $2,000. The more expensive packages are often combined with other functions related to either foodservice management (menu planning, inventory, food costing, etc.) or nutritional analysis (used to determine the specific nutritional needs of individual clients). Unless you are in a health-care setting, the foodservice management package is probably a better bet.

It is best to try a program before you purchase it. Some companies provide a demonstration disk (with a limited data base), and firms that sell the more costly packages will send a representative to demonstrate a package. (See the association's *Directory of Computer Hardware and Software for the Foodservice Industry* for a list of programs.)

If performing your own nutritional analyses sounds more time-consuming than your schedule allows, there is another option. Some firms that sell software packages will also analyze recipes for a fee. Given a recipe's specific ingredients, quantities and yield, these firms provide a printout of the nutrient content. You can even specify the nutrients you want. Costs for the service can run from $7 to $20 per recipe, depending on the number of ingredients. This service is not appropriate for everyone. There is a time lag involved, and for operators who frequently change their menu items, the procedure can become costly. But if you have a menu that stays fixed over time or if you want nutritional information on only a few recipes, this service may be more desirable than purchasing a software package. (Refer to the association's *A Nutrition Guide for the Restaurateur* for a list of firms offering this service.)

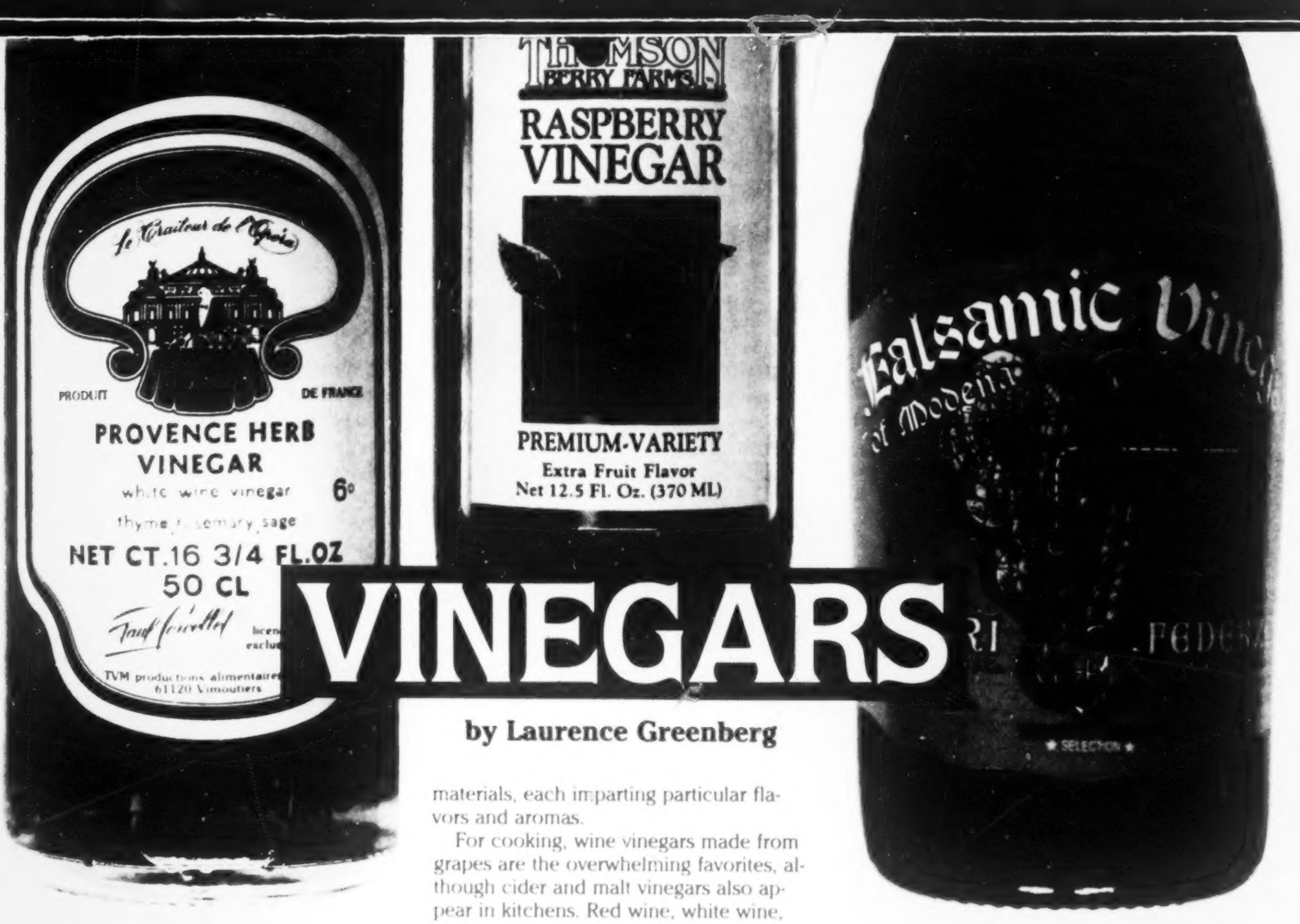
Finally, many consulting dietitians own nutritional software packages and may be available to assist you in developing more healthful recipes.

—Claire Regan, R.D.

Patrons access nutrition info at Whataburger

Officials at Whataburger, Inc. (430 units, Corpus Christi, Texas) put computer nutrition programs to use in a unique and innovative way. Rather than using the technology to determine the nutrient content of products, they use it to deliver nutritional information to patrons. Their Whataburger Information Network (WIN) system serves a dual function. (1) It provides nutritional information and (2) it acts as an electronic customer-feedback program.

The nutritional values of all Whataburger menu items can easily be accessed by patrons via WIN's interactive hardware. Information on calories and levels of cholesterol, sodium, proteins, fats, carbohydrates, fiber and 12 vitamins and minerals are provided. The touch-screen system is easy to use and extremely popular with Whataburger customers. Each week 900 to 1,00 requests for nutritional information are processed by WIN, and this usage has been fairly constant since its introduction in 1987. Originally installed in five units, Whataburger officials plan to have the WIN system in 50 additional units by the end of the year.



VINEGARS

by Laurence Greenberg

Vinegar is one of the oldest foods known to man. Most likely, it was discovered some 10,000 years ago when wine was accidentally allowed to ferment a second time. For most of those millenia, vinegar was used for cleaning, canning and medicinal purposes. But in recent years, vinegar's popularity has grown along with consumers' interest in gourmet food products. And as Jennifer Harvey Lang writes in her book *Tastings*, "This new interest in vinegar has nothing to do with cider vinegar or clear white distilled vinegar, the kinds most suited to household chores. Instead, we have gone back to vinegar's beginnings to rediscover that the tastiest and mildest vinegar is made from wine in a process as careful as wine making itself."

That vinegar springs forth from wine is illustrated by the word's French roots: *vin* for "wine" and *aigre* for "sour." Vinegar is a product of the fermentation of alcohol in which the alcohol combines with oxygen and certain bacteria to form acetic acid and water. It is acetic acid that gives vinegar its characteristic tartness and its preservative powers. Actually, any liquid capable of being turned into alcohol can be made into vinegar. Apples, grapes, malted barley and figs are several source materials, each imparting particular flavors and aromas.

For cooking, wine vinegars made from grapes are the overwhelming favorites, although cider and malt vinegars also appear in kitchens. Red wine, white wine, champagne and sherry vinegars are all variations of the basic wine vinegar.

Vinaigrettes

One of the most common food uses for vinegar is in the vinaigrette sauce, which has long been a staple of French cooking. The name for this sauce was taken from the small boxes containing sponges soaked in vinegar that wealthy people carried through the streets of Europe during the 17th and 18th centuries and held to their noses to ward off foul odors from open sewers and garbage.

The vinaigrette is most popularly known as a dressing for salads. It is enjoying something of a renaissance in restaurants across the United States because it is a more appropriate complement to the flavors of fresh produce and new varieties of greens than thicker, creamier dressings, which often overwhelm subtle flavors. In addition, vinaigrettes, lacking cream and eggs and often including olive oil (thought to guard against heart disease) appeal to diet-conscious customers.

Vinaigrettes are simple to make, and they are open to endless variation—provided one is willing to defy tradition. The traditional recipe calls for three to four parts oil to one part vinegar, plus salt and pepper—with the optional addition of mustard and fresh herbs. The amount of vinegar used is really a question of personal taste and of the type of salad the vinaigrette will be used on. Generally, the less delicately flavored greens—bitter and peppery varieties—can stand up to more vinegar.

For example, a vinaigrette made with Italian balsamic vinegar (see sidebar) and olive oil is delicious tossed with arugula and radicchio, since the slightly sweet vinegar complements these intensely flavored greens. A fancier dressing can be made by adding some chopped tomato, a little garlic and a fresh herb, such as basil or rosemary. This type of vinaigrette would also make a good sauce for blanched and chilled vegetables, such as asparagus or green beans.

To a traditionalist, the addition of cheese to a vinaigrette would be heresy, but cheese can add just the right element to a salad. One particularly good example combines Stilton cheese with a light olive or peanut oil, slivered shallots and raspberry vinegar. The vinaigrette is made in the usual way, but the cheese is crumbled in as the final step.

Of course, with a recipe as simple as the vinaigrette, the success of the product depends a great deal upon the quality of the ingredients. To that end, high-quality vinegars and oils are a must.

Vinaigrettes with the main course

For the same reasons that vinaigrettes complement salads, they also go well with meat and fish—especially the oily varieties, such as tuna, swordfish and salmon. Furthermore, vinaigrettes have the advan-

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Laurence Greenberg is a freelance writer in Washington, DC tage of being easy to execute with no last-minute preparation.

At The Mansion On Turtle Creek, a fine-dining establishment in Dallas, executive chef Dean Fearing notes that wood-grilled red snapper with a tomatillo/serrano-chile vinaigrette is his best seller. This tasty vinaigrette is made with balsamic vinegar. "Vinaigrettes provide a lighter sauce and increase the acidity level of foods—a taste popular in the Dallas area due to the influence of Mexican cuisine," Fearing explains. Fearing also notes the use of rice wine vinegars in his expanding repertoire of Asian-influenced dishes.

In the experimental kitchen of the Tabard Inn restaurant in Washington, DC, vinaigrettes figure prominently in the entrees. For example, a spice-and-sesame-coated salmon filet is sauteed and served with an Oriental peanut vinaigrette. A touch of brown sugar adds the sweetness to this sweet and sour dish. The Tabard Inn also offers sauteed tenderloin with a vinaigrette made of cognac, walnut oil and sherry vinegar. "We have had a very good response to the cognac vinaigrette," says chef Lisa Joy.

A vinaigrette sauce tossed with chilled seafood can make a great light lunch or appetizer salad at dinner; vinaigrettes can add a light touch to meat salads as well. Two solid sellers at The Silver Palate, notes Melody Ozdenak, executive chef of this well-known New York gourmet carry-out and retail store, include a beef salad with a red wine vinaigrette and a chicken salad with peanut oil and tarragon vinegar.

Fruit and vegetable salsas have also become popular accompaniments to seafood. Executive Chef Seppi Renggli of The Four Seasons in New York City offers salsas with fish. He says his tomato-and-peach salsa, made with red wine vinegar, goes well with blackened, grilled and baked fish. Renggli also features a pineapple-mango salsa with a broiled shrimp brochette. The salsa includes maui onion, jalapeno pepper, vinegar and garlic.

Vinegar in sauces

The use of vinegar in sauces has a long history. In ancient times, the Romans set out bowls of vinegar on their dining tables for dipping bread. This practice may seem extreme, but today we have a similar practice—although it is much more covert. Who hasn't surreptitiously soaked bread in the pool of oil and vinegar dressing left at the bottom of the salad bowl? Good vinegar, like good olive oil, is delicious on its own.

Vinegar was elevated to new culinary heights in the 17th century, when the great French chef Pierre de la Varenne

How to make flavored vinegars

Fruit and herb-flavored vinegars are relatively easy to make; and when used in vinaigrettes and other sauces, they can add interest to your menu. Almost any fruit is a good candidate for making vinegar. Among the best are summer fruits, such as berries, peaches, plums and currants.

To make fruit vinegars, it is best to start with white-wine vinegar and then add one-half to one pound of fruit per cup of vinegar. This will produce an intense flavor. Here's how it's done.

First wash and, if necessary, pit the fruit. Then crush or chop the fruit, place it in a clean jar and cover with vinegar. Let it stand for two to four weeks; then strain and simmer gently for a few minutes, to kill any bacteria in the vinegar. If desired, a little sugar can be added—about one tablespoon per cup of vinegar.

An alternative method, which speeds the preparation process, is to heat the unflavored vinegar just to a simmer before pouring it over the crushed fruit. After steeping overnight, the vinegar should be ready for straining.

The procedure for making herbal vinegar is much the same as for fruit. Any fresh herb is ideal for flavoring vinegar. Tarragon, thyme, basil, rosemary and oregano—alone or in combination—work especially well. In general, stronger herbs can take a red wine or cider vinegar, but those that are more delicately flavored should be steeped in white wine vinegar.

Use about one cup of herbs for every two cups of vinegar. First, place the herbs in a clean, dry jar or bottle. Then, heat the vinegar just to a simmer and pour over the herbs, being sure to cover them completely. Steep for at least 10 days, shaking the container occasionally. If you wish to add garlic or shallots to your vinegar, use a very small amount to avoid overpowering the other herbs. Garlic and shallots should be crushed slightly before steeping. After steeping, strain and pour the vinegar into a clean container. For tableside use, you may want to place a fresh herb sprig in the bottle as a decorative accent.

ORANGE BUTTER SAUCE WITH BASIL

This sauce makes a fine accompaniment to steamed or grilled fish or even warm asparagus spears.

Serves 10

Ingredients:

4 Tbs. shallots, chopped
4 Tbs. fresh basil, roughly chopped
Zest of 1 orange
⅓ cup champagne or white wine vinegar
1 cup freshly squeezed orange juice
1 lb. unsalted butter
Salt, white pepper

Method:

Reduce the shallots, basil, orange zest, vinegar and orange juice (in a stainless-steel pan) until mixture reaches a syrupy consistency.

On very low heat or over a bain-marie, whisk cold butter cut in 1-inch cubes into the orange-juice reduction. The butter must be incorporated slowly, allowing each cube to melt before more is added.

Strain the sauce and season to taste with salt and pepper. Keep the sauce warm until it is served.

TABARD INN'S COGNAC VINAIGRETTE

This vinaigrette is excellent with sauteed or grilled tenderloin.

Serves 20

Ingredients:

½ cup fresh chopped thyme
1½ cups chopped shallots
2 cups whole unsalted butter
3 cups cognac
1½ cups sherry vinegar
2 cups walnut oil
Salt, pepper

Method:

Melt butter and saute shallots and thyme without browning. Meanwhile, heat cognac in a deep saucepan until it begins to flame. Remove from heat and allow to burn until the flames are extinguished (this removes the alcohol from the cognac).

After the cognac has cooled slightly, whisk into butter mixture. Then whisk in sherry vinegar and walnut oil. Season with salt and plenty of pepper.

RASPBERRY CHICKEN

Serves 2 to 4

Ingredients:

2 whole boneless, skinless chicken breasts, about 2 pounds
2 Tbs. sweet butter
¼ cup finely chopped yellow onion
4 Tbs. raspberry vinegar
¼ cup chicken stock or canned broth
¼ cup heavy cream or creme fraiche
1 Tbs. canned crushed tomatoes
16 fresh raspberries (optional)

Method:

Cut each chicken breast into halves along the breastbone line. Remove the filet mignon, the finger-size muscle on the back of each half, and reserve for another use. Flatten each breast half by pressing it gently with the palm of your hand.

Melt the butter in a large skillet. Raise the heat, add the chicken halves, and cook for about 3 minutes per side, or until they are lightly colored. Remove from the skillet and reserve. Add the onion to the fat in the pan and cook, covered, over low heat until tender, about 15 minutes.

Add the vinegar, raise the heat and cook, uncovered, stirring occasionally, until vinegar is reduced to a syrupy spoonful. Whisk in the chicken stock, heavy cream and crushed tomatoes and simmer for 1 minute.

Return chicken halves to the skillet and simmer them gently in the sauce, basting often, until they are just done and the sauce has been reduced and thickened slightly, about 5 minutes; do not overcook.

Remove chicken halves with a slotted spoon and arrange on a heated serving platter. Add the raspberries to the sauce in the skillet and cook over low heat for 1 minute. Do not stir the berries with a spoon, merely swirl them in the sauce by shaking the skillet. Pour sauce over chicken and serve immediately.

—The Silver Palate Cookbook

A bow to balsamic vinegar

One type of vinegar that deserves special mention due to its rising popularity is balsamic vinegar, or as the Italians call it, *aceto balsamico*. This specialty wine vinegar is the gastronomic star of Modena, Italy, where it has been made by the Modenese for centuries. According to food writer Waverly Root in his book *The Food of Italy*, the earliest written reference to balsamic vinegar dates from 1046 A.D., when Bonifacio di Canossa presented a barrel of it to Emperor Henry III at his coronation.

Balsamic vinegar is made from grapes high in sugar, in a process that can take as long as 50 years or more. The newly made herb-flavored wine vinegar is slowly aged in a succession of barrels made of oak, chestnut, mulberry and juniper wood. Each barrel imparts new fragrances and flavors to the aging liquid. After several years of blending, the liquid is amber-colored, with more body than regular wine vinegars. Although it is highly acidic, balsamic vinegar is mellow with sufficient sweetness to balance the tartness. It is an excellent complement to tomato dishes, and a few dashes added to fresh strawberries can bring out their sweetness.

Because it is expensive to produce, due to the lengthy aging process and the large amount of grapes needed to make a small amount of vinegar, *aceto balsamico* can cost as much as a bottle of first-class Italian wine. As a result, not all balsamic vinegar imported into the United States is made by traditional methods. To meet the high demand for this product, commercial producers in Italy often utilize a quick-production process. The result, writes Jennifer Lang in *Tastings*, is "an interesting and tasty vinegar, but not up to the quality of the traditional *aceto balsamico*."

recommended a sauce based on vinegar, meat drippings and lemon juice or *verjus* (the juice of sour grapes). Before that, French dishes had been heavily spiced and had featured thick meat and almond mixtures. La Varenne's vinegar sauce may not sound particularly appetizing, but many modern classics have very similar ingredients. Duck a l'orange, for example, has a sauce made of vinegar, sugar, duck stock and drippings, orange peel and arrowroot. And who would turn his nose up at a well-prepared rendition of this dish?

Today one of the prevalent uses of vinegar in French cooking is the beurre blanc popularized by nouvelle cuisine chefs during the 1970s. It is a sauce in which whole butter is added to a reduction of wine, vinegar, shallots and seasonings to achieve a thick, creamy emulsion. The high concentration of acids that is created when the vinegar-wine mixture is thoroughly reduced allows the milk solids to remain in suspension. On the palate, the vinegar serves as a counterpoint to the richness of the butter, producing a surprisingly light-tasting sauce—although it can hardly be considered low-cal.

This type of sauce is an excellent accompaniment to many dishes, such as fish and shellfish, vegetables, and sautees of veal, livers and sweetbreads. For a different twist, a citrus juice, such as fresh orange or grapefruit juice, can be used as an alternative to the wine. An orange butter sauce with a touch of tarragon or basil makes an intensely flavored yet nonmasking foil for steamed or grilled fish.

Vinegar is also a lively addition to reduction sauces made with meat stocks or glazes, especially those that accompany game. At The Silver Palate, raspberry vinegar is used to deglaze the pan in which boneless chicken breasts have been sauteed. The sauce is finished with chicken stock, creme fraiche and crushed tomatoes.

Marinades

Vinegar also makes a fine marinade for meat, especially for game. A marinade typically used to tenderize and flavor rabbit includes red wine vinegar, red wine and herbs. Sherry vinegar is also a good addition to marinades for game, because it can stand up to a strongly flavored meat. At The Mansion On Turtle Creek, Dean Fearing uses a fresh herb marinade made with balsamic vinegar for his veal chops.

Pickling

Any discussion of vinegar would be incomplete without mentioning pickling. This process, originally used as a preservative for fruits and vegetables, has become an end in itself because it accents the crisp and crunchy quality of vegetables. During the summer months, when customers demand more salads, pickled vegetables can add interest to cold-salad plates. Pickled beets, gardenia salad (made with cauliflower, carrots, peppers and onion) and marinated cabbage are just a few of the possibilities.

Onions pickled with cider vinegar, cumin seed, oregano and garlic make an excellent garnish for grilled meats or Mexican dishes. This sort of distinctive side dish or condiment can add the special touch that customers remember. For example, the Tabard Inn offers pickled onions with its hamburgers at lunch. A basic pickling recipe is used, but the type of vinegar and spices can be changed to produce different flavors. ❑

Dinner takeout—a family occasion

The demand for takeout meals at dinner has been partially driven by the changing demographics of the American labor force and family. With its time-saving appeal, takeout at dinner has gained popularity with dual-career families.

According to the U.S. Bureau of Labor Statistics, the percentage of married women working has risen from 44.5 percent in 1975 to 55.8 percent in 1987. This increase has had a profound effect on the definition and structure of the American family.

An attractive alternative for working couples

Working couples, with less leisure time than before, now place a greater premium on convenience and saving time when conducting daily, routine activities. With its time-saving appeal, dinner takeout is an attractive alternative for dual-career households and other groups that do not want to prepare dinner at home.

According to a 1986 National Restaurant Association study, *The Takeout Market*, among households in which the wife or mother was employed full time, more than half made dinner takeout purchases two or more times a month, and only one out of 10 households reported never buying takeout food and beverages for dinner. For households in which the wife or mother was not employed outside the home, takeout dinner was less common. In this group, 36 percent reported they were frequent users of takeout dinner, and 18 percent said they were nonusers.

CREST* data confirm that dinner takeout appeals to dual-income households. Both working parents and affluent traditional families recorded above-average usage of dinner takeout in 1987.

Appeals to larger households

Dinner takeout is also favored by larger households. According to CREST, households with three or more members accounted for 69 percent of all takeout-dinner occasions in 1987. Both 3-4 person and 5+ person households showed above-average use of dinner takeout.

With such a large proportion of takeout-dinner occasions coming from larger households, the average party size for dinner takeout was 2.4, well ahead of the 1.5 for lunch takeout and the 1.6 for breakfast takeout. According to *The Takeout Market*, a takeout dinner is much more likely to be purchased for two or more people, whereas a takeout breakfast or lunch tends to be purchased for only one person.

Where takeout dinner is eaten

Once a takeout dinner has been purchased, consumers are most likely to eat it at home. Three-fourths of the people surveyed in *The Takeout Market* stated that they ate their takeout dinner at home, compared with only 39 percent for takeout lunch and just 30 percent for takeout breakfast.

Takeout-dinner buyers are likely to have come from the home prior to making their purchase. Nearly half (48 percent) of the respondents indicated that they were at home prior to going to the restaurant for their takeout evening meal. However, some people stopped off to buy takeout dinner on their way home from work. Just under a third of takeout-dinner buyers said they were working prior to their purchase.

A family affair

Dinner takeout is much more likely to involve the entire household than is lunch or breakfast takeout. According to *The Takeout Market*, 61 percent of all takeout-dinner purchasers

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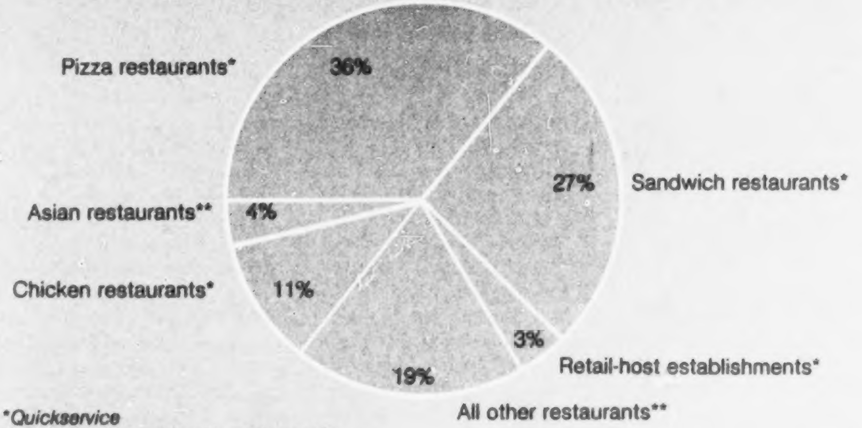
**CREST stands for Consumer Reports on Eating Share Trends, a diary survey conducted by one of the NPD marketing and research companies.*

Share of takeout-dinner market, 1987

Pizza and sandwich restaurants combined held nearly two-thirds of all takeout-dinner traffic



**Quickservice*
***Quickservice, midscale, and upscale*
Source: National Restaurant Association CREST Survey

placed their orders for the entire household, whereas lunch and takeout-breakfast buyers usually bought solely for themselves. Only 37 percent of lunch and 38 percent of takeout-breakfast buyers made their purchases for the entire household.

Children favor eating takeout food for dinner. Despite being below-average users of takeout overall, children under the age of 17 were above-average takeout-dinner eaters in 1987, according to CREST. They were responsible for 28 percent of takeout-dinner occasions, compared to 24 percent of total off-premises occasions.

Not surprisingly, dinner takeout has attracted a following among those who show a preference for takeout in general, including white-collar workers, the college-educated, 25 to 34-year-olds, yuppies, singles and higher-income households.

Explosive growth

Takeout-traffic advances at dinner have been driving overall industry takeout growth. Customer counts for takeout dinner shot up 49 percent between 1982 and 1987, easily surpassing the gains of 19 percent for off-premises lunch and 18 percent for off-premises breakfast. Takeout for dinner has overshadowed moderate advances for on-premises dinner traffic, which was up 6 percent between 1982 and 1987. With more consumers now ordering takeout food for the evening meal, the percentage of off-premises eater occasions for dinner has climbed, from 39 percent in 1982 to 46 percent in 1987, according to CREST.

Quickservice leads growth

Quickservice restaurants showed the largest increase in takeout-dinner traffic, jumping an astounding 53 percent from 1982 to 1987. One hot concept pushing growth was pizza (see sidebar). Retail establishments also did well in the off-premises dinner market; convenience store visits climbed by a multiple of 10 and grocery stores watched their customer counts triple.

Quickservice ethnic restaurants are doing a booming takeout-dinner business. Takeout-dinner visits at Asian restaurants more than doubled between 1982 and 1987, and visits rose 77 percent at Mexican restaurants over the same period. Strong takeout-dinner traffic growth was also recorded by barbecue and sandwich restaurants; customer counts were up 33 percent and 18 percent, respectively, between 1982 and 1987.

After quickservice establishments, midscale restaurants had the largest increase in off-premises dinner visits, with an increase of 16 percent over the five-year span. Dinner takeout remains a bright spot for midscale operators, who saw a decline in total traffic between 1982 and 1987. Midscale ethnic concepts are doing particularly well in appealing to the takeout-dinner buyer. Traffic jumped 51 percent and 47 percent, respectively, at Italian and Asian restaurants. Midscale barbecue restaurants are also winning

Pizza to go

Pizza restaurants are one of the hottest concepts in the takeout-dinner market. Off-premises dinner traffic at pizza restaurants more than doubled between 1982 and 1987, making these establishments a dominant force in the takeout-dinner market.

According to CREST data for 1987, pizza restaurants accounted for more than one in three takeout-dinner occasions, placing them just ahead of sandwich restaurants as the market share leader for dinner takeout. In addition, 26 percent of all takeout-dinner visits at pizza restaurants involved consumer use of promotions.

Pizza restaurants are also the delivery champions. Delivery accounted for 22 percent of occasions at pizza restaurants in 1987—more than at any other concept.

As a restaurant food, pizza has expanded its appeal. In 1987, according to CREST, pizza was consumed on 12 percent of all restaurant occasions, up from 8 percent in 1982. Thin-crust pizza remained the most popular type, accounting for 7 percent of all occasions, followed by thick-crust and pan versions, with 3 percent and 2 percent, respectively. Stuffed pizza was still a novelty item in 1987.

Traffic growth at dinner: 1982-1987

Takeout traffic at dinner has skyrocketed

	Percent change in off-premises occasions	**Percent change in on-premises occasions**
All restaurants	49%	6%
• Quickservice restaurants	53	14
• Midscale restaurants	16	–4
• Upscale restaurants	13	19

Source: National Restaurant Association CREST Survey

The takeout-dinner decision

Recent National Restaurant Association research on consumer behavior and decision-making at dinner reveals that the decision to purchase takeout food for dinner is usually made spontaneously. In a soon-to-be-published association study investigating the various types of dinner situations in which prepared food is purchased, 60 percent of adult consumers report making their decision to order dinner to go within one hour of purchase. Nineteen percent stated that they reached the decision one to two hours in advance.

The takeout-dinner meal was usually purchased between 5 p.m. and 7 p.m. and took an average of 28 minutes to complete. Takeout dinner was least likely to be bought on Saturdays. Study participants responded that the two major reasons behind their decision to buy takeout-dinner was "to satisfy a craving" and "it was the easiest thing available."

takeout fans; their off-premises dinner traffic was up 32 percent.

Upscale restaurants experienced solid increases in takeout-dinner traffic as well. Between 1982 and 1987, off-premises dinner traffic advanced 13 percent. Upscale barbecue and Asian restaurants did even better than the segment average; their customer counts for dinner takeout rose 80 percent and 42 percent, respectively, since 1982.

Promoting dinner takeout

Takeout buyers are most likely to take advantage of promotional offerings at dinner. In 1987, 17 percent of takeout-dinner occasions entailed the use of promotions, according to CREST. By comparison, the percent of occasions that included a promotion for lunch and breakfast takeout was 10 percent and 5 percent, respectively. In general, consumers are most likely to respond to promotions for dinner purchases. In 1987, 24 percent of all dinner occasions involved use of a promotion.

Among industry segments, the highest proportion of eater occasions in which promotions were used for takeout-dinner in 1987 was reported at quickservice restaurants—17 percent. Midscale and upscale restaurants followed, with 8 percent and 5 percent. Concepts that reported high proportions of promotional usage for takeout-dinner in 1987 include pizza restaurants, quickservice chicken restaurants, quickservice sandwich restaurants, quickservice fish restaurants and quickservice Mexican restaurants.

—Sebastian O'Kelly

More restaurant parties include children, deals

Between 1982 and 1987, there was an increase in the number of parties that included children under 12 and an increase in the percent of occasions where a promotion was used—particularly among parties of adults.

Although the request for a "table for two" will still remain a common one, more and more parties include children. According to CREST data, the number of parties at restaurants that included children under 12 years of age increased between 1982 and 1987, while the number of adults-only parties remained constant or even decreased.

This shift can be seen throughout the industry. Overall, the proportion of occasions represented by adults-only parties declined by more than 1 percent. The share of parties with children under 12 climbed by 20 percent.

Italian midscale establishments led all restaurants in serving fewer adults-only parties and more groups with children. They were followed by upscale Italian

Percent of promotion usage by party composition, industry segment and meal period, 1982 versus 1987

Between 1982 and 1987, deal usage increased more among adults-only restaurant parties than among parties of adults with children

	Percent of promotion usage by adults-only parties			Percent of promotion usage by parties of adults with children		
	1982	**1987**	**Change**	**1982**	**1987**	**Change**
Total industry	9.2%	16.0%	73.9%	16.1%	21.1%	31.0%
Quickservice	11.0	17.9	62.7	18.2	22.9	25.8
Midscale	7.2	13.1	81.9	9.0	11.0	22.2
Upscale	7.3	12.6	72.6	6.3	12.1	92.1
Breakfast	7.7	14.1	83.1	11.5	11.5	0.0
Lunch	8.5	15.5	82.4	15.3	19.7	28.8
Dinner	13.0	20.2	55.4	19.4	26.4	36.1
Snack	4.9	9.8	100.0	10.1	12.8	26.7

Source: NPD/CREST, *Annual Household Report*, 1982 and 1987

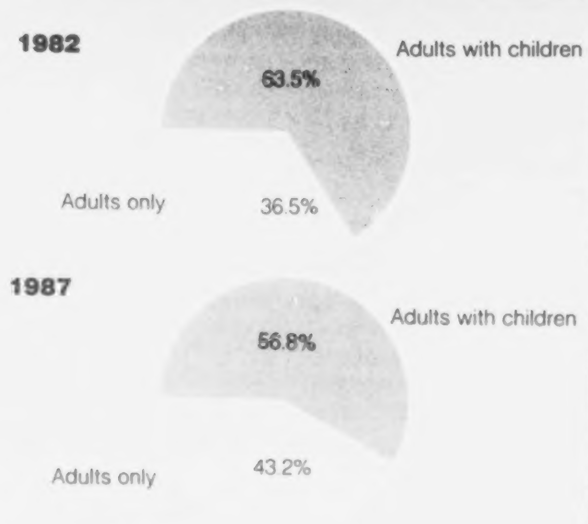
Percent change in distribution of occasions by party composition between 1982 and 1987

Since 1982, the share of adults-only parties has decreased slightly, while the share of parties with adults and children under 12 years of age has increased

	Share of parties adults-only			Share of parties with adults and children under 12		
	1982	**1987**	**Change in share**	**1982**	**1987**	**Change in share**
Total industry	78.6%	77.5%	-1.4%	10.0%	12.0%	20.0%
Quickservice	72.9	72.6	-0.4	13.5	15.0	11.1
Midscale	86.0	86.2	0.2	5.3	6.6	20.8
Upscale	88.2	88.8	0.7	4.2	5.6	33.3
Breakfast	84.2	84.5	0.4	8.1	8.7	7.4
Lunch	83.4	83.0	-0.5	7.3	8.9	21.9
Dinner	72.1	70.1	-2.8	14.0	16.6	18.6
Snack	75.0	73.3	-2.3	10.8	12.8	18.5

Source: NPD/CREST, *Annual Household Report*, 1982 and 1987

Percent of promotion usage by party composition, 1982 and 1987



Source: NPD CREST, *Annual Household Report*, 1982 and 1987

restaurants, quickservice barbecue restaurants and cafeterias. Mexican restaurants exhibited the most consistent changes in party composition across all segments.

When looked at by meal period, these party-composition changes were seen in all meal periods except breakfast. Dinner parties consisting of only adults exhibited a 2.8 percent share decrease between 1982 and 1987, while the share of parties with children showed a nearly 19 percent increase. Snack periods showed a similar trend. Breakfast visits by both groups remained relatively constant as did lunch visits by adults. There was, however, an increase in the share of lunch occasions by adults with children under 12.

Use of promotions

Overall, promotion use soared 69 percent between 1982 and 1987. Although mixed parties of adults and children still comprise the largest proportion of promotion users, the percent of adults-only parties using deals has increased greatly.

The change can best be illustrated by reviewing specific restaurant categories. For example, in quickservice establishments, adults-only promotion use grew 63 percent from 1982 to 1987, while use by adults with children jumped 26 percent. At fast food hamburger restaurants, promotion use by adults climbed a hefty 54 percent, while the use of deals by adults with children remained flat.

Similar deal-usage trends were demonstrated throughout the industry, with the exception of quickservice pizza, midscale hotel and midscale barbecue restaurants. In these restaurant categories, adults with children showed greater gains in the percentage of promotion use than did parties of just adults.

—Nancy Michalski

Occupation costs

With rents, taxes and property insurance rates rising steeply in many parts of the country, holding down these occupation expenses plays a greater role in the daily lives of restaurateurs. As the National Restaurant Association's Restaurant Industry Operations Report—1988 *points out, after food and payroll expenses, occupation costs have become an operator's largest expense.*

Limited-menu, no-tableservice establishments reported the highest median occupation costs of the four restaurant types in 1987 at $480 per seat and $20.53 per square foot. Respondents spent 7.7 percent of sales revenue on expenses pertaining to occupancy. Rent was the most expensive component at 5.8 percent of total sales—the highest percentage of all restaurant types. This high proportion of rent to sales is partially due to the high percentage of limited-menu, no-tableservice operators who lease both the land and the building where their establishment is located. In 1987, 61 percent of these respondents fell into this category. In contrast, only 38 percent of full-menu, tableservice operators lease both their land and their building.

In 1987, limited-menu, no-tableservice restaurants also had the highest median taxes and property insurance of the four restaurant types. However, limited-menu, no-tableservice operations had the lowest proportion of property insurance to sales—0.7 percent in 1987. These restaurants also paid out a relatively low 1.2 percent of total sales revenue in taxes.

Limited-menu tableservice

After limited-menu, no-tableservice restaurants, limited-menu tableservice establishments had the sec-

How to order the report

The National Restaurant Association's *Restaurant Industry Operations Report—1988* provides detailed data on restaurant occupation costs. A copy of the report (CS 958) costs $30 for members and $60 for non-members. When ordering, please include payment plus a 10 percent shipping and handling fee and any applicable tax. Washington, DC, residents must add 6 percent. Illinois residents must add 7 percent, and Chicago residents must add an additional 1 percent, making their total tax 8 percent. No purchase orders, please.

You can charge orders by including name of charge card, name of cardholder, card number, expiration date and signature. Credit-card telephone orders are also accepted. Call the National Restaurant Association at 1-800-424-5156 (toll free) or (202) 331-5900. Checks or money orders should be sent to the National Restaurant Association, 1200 Seventeenth Street, N.W., Washington, DC 20036-3097.

ond-highest median occupation costs in 1987 at $355 per seat and $13.56 per square foot. Overall, occupation costs accounted for 7.7 percent of total sales at limited-menu tableservice restaurants—the same proportion reported at limited-menu, no-tableservice establishments.

Rent remains the major component of occupation costs, accounting for 5.1 percent of sales among these respondents. Survey participants allocated 1.1 percent of total revenues to property insurance fees. Among the four restaurant types, limited-menu tableservice restaurants bore the greatest tax burden relative to their sales revenue. In 1987 these establishments allocated 1.5 percent of their sales for taxes.

Restaurant occupation costs per seat, 1987*

Cafeterias had the lowest occupation cost per seat in 1987

	Full-menu tableservice	Limited-menu tableservice	Cafeteria	Limited-menu, no tableservice
Rent	$241	$256	$232	$427
Property taxes	30	33	24	53
Other taxes	40	60	44	87
Property insurance	70	65	42	78
Total occupation costs	$332	$355	$286	$480

**Costs represent median values*

Source: National Restaurant Association, *Restaurant Industry Operations Report—1988*

Occupation costs as percent of sales, 1987*

Full-menu tableservice restaurants had the lowest ratio of rent expenses to sales in 1987

	Cafeteria	Full-menu tableservice	Limited-menu tableservice	Limited-menu, no tableservice
Rent	4.7%	4.4%	5.1%	5.8%
Property taxes	0.4	0.6	0.6	0.6
Other taxes	0.7	0.7	0.9	0.6
Property insurance	0.8	1.3	1.1	0.7
Total occupation costs	6.6%	7.0%	7.7%	7.7%

**All figures are weighted averages*

Source: National Restaurant Association, *Restaurant Industry Operations Report—1988*

Full-menu tableservice

Occupation costs accounted for 7 percent of the full-menu tableservice sales dollar in 1987. This was due in part to the low ratio of rent expenses to sales. According to the *Restaurant Industry Operations Report—1988*, full-menu tableservice restaurants apportioned 4.4 percent of their sales dollar for rent in 1987—the lowest percentage among the four restaurant types.

The larger proportion of building and land ownership among full-menu tableservice operators helps to explain the low ratio of rent expenses to sales.

Forty-eight percent of the full-menu tableservice survey respondents owned both the building and the land on which their establishments were located, compared with 26 percent for limited-menu, no-tableservice operators.

Full-menu tableservice restaurants paid 1.3 percent of their total sales in taxes, and the proportion of property insurance expenses to total sales was higher at these restaurants than at any other restaurant type (1.3 percent in 1987).

Cafeterias

Cafeterias reported the lowest median occupation costs of all restaurant types in 1987. Median occupation costs were $286 per seat, and they accounted for 6.6 percent of total sales. Median rent represented only 4.7 percent of sales at cafeterias. Survey participants faced relatively low property insurance and taxes in 1987; these costs captured 1.9 percent of sales.

Occupation costs by location, years in business

According to the association study, restaurant occupation costs vary by location (urban, suburban and rural) and years in business. In 1987, limited-menu and full-menu restaurants tended to incur lower median rents in the country and suburbs than did similar operations situated in the city. Limited-menu, no-tableservice establishments, on the other hand, had the highest median rents when located in the suburbs and the lowest when stationed in rural areas.

Taxes also varied depending on the establishment's location. At both full-menu and limited-menu restaurants, rural operators paid out a higher percentage of their sales revenue in taxes and property insurance than did either their urban or suburban counterparts.

—Sebastian O'Kelly

Foodservice Market Measure #3 August 1988

Although it will take many more months before we can fully evaluate month-to-month changes, it appears that restaurant patronage in July and August did not reach the level attained in June. Assuming that June was not an aberration, summer started with a relatively high 47 percent of surveyed adults reporting they ate out on a typical day. But that proportion slipped in July to 43 percent and maintained that level in August, with 44 percent of adults saying they were foodservice patrons on a typical day.

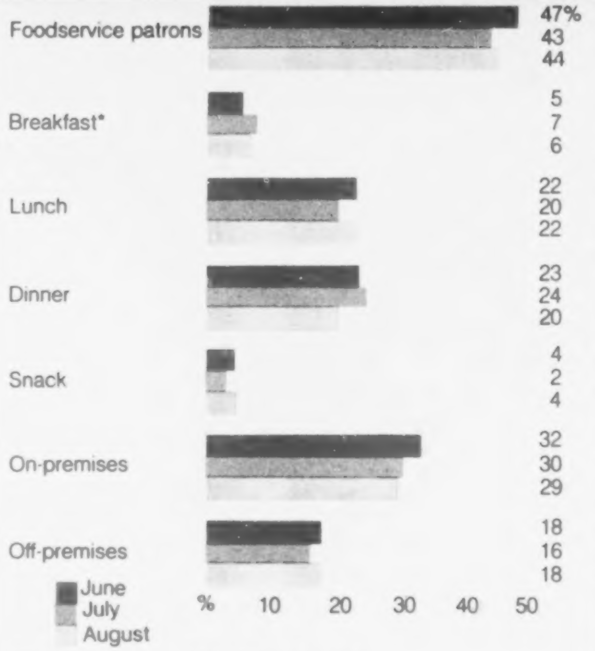
In August, 29 percent of the 1,000 adults interviewed reported they ate at a restaurant, fast food place, cafeteria or another place where they purchased a meal or snack. Approximately one in six, 18 percent, purchased food to go or for delivery.

The apparent decline in off-premises patronage, from 32 percent in June to 30 percent in July and 29 percent in August, is attributed to a decrease in dinner patronage and a decline in the number of females who ate out on a typical day. The July-to-August drop in on-premises dinner patronage, which approaches significance in statistical terms, is offset in part by a gain in snack patronage.

Takeout-dinner patronage was off as well. Nevertheless, off-premises lunch and snack patronage were up, more than counterbalancing the decline in dinner patronage.

Overall on-premises customers accounted for 66 percent of the total in August, versus 33 percent for off-premises customers. The on-premises proportion is slightly below the level reached in July but similar to June's 67 percent.

Percent of adults who were patrons on a typical day



**This corrects breakfast figure for July.*

Source: National Restaurant Association, Gallup Survey

Female patronage off

Although the proportion of males patronizing a foodservice outlet on a typical day in August was 52 percent, just 37 percent of adult women were foodservice customers. Furthermore, although the incidence of patronage by males changed little in the summer months, there was a significant decrease in the proportion of women patronizing foodservice outlets—down from 45 percent in June to 37 percent in August.

As female patronage slipped, the differential between the proportion of males who patronized foodservice outlets on a typical day and that of females who did so changed substantially. In June, 50 percent of all males and 45 percent of females were customers, but by August the gap had widened to 52 percent of males and only 37 percent of females.

The demographic characteristics of those who apparently dropped out of the market from June to August include women who are not employed, those who are not married and those who are 65 years old and older. Here we can speculate that hot weather may keep older women who don't work from venturing out to eat. —*Susan Mills*

Percent of adults who were foodservice patrons on a typical day, summer 1988

Female patronage dropped in the summer

	June	July	August
All Adults	47%	43%	44%
Males	50%	47%	52%
Females	45%	40%	37%

Source: National Restaurant Association, Gallup Survey

Foodservice Market Measure

The Foodservice Market Measure is based on 1,000 telephone interviews, conducted by the Gallup Organization each month, with a nationally representative sample of adults age 18 and older. Each person is asked the same questions:

1. Which of the following did you do yesterday?

☐ Ate on the premises of a restaurant, fast food place, cafeteria or any other place where you purchased a meal or snack, or

☐ Purchased takeout food "to go" or had it delivered.

2. Was the food you ate on premises yesterday for breakfast, lunch, dinner or a snack?

3. Was the takeout food you purchased or had delivered for breakfast, lunch, dinner or a snack?

The monthly tracking of purchases is supplemented by quarterly inquiries on topics of industry interest, such as smoking versus no-smoking sections, tipping versus service charges, and nutritional concerns.

1 NEW ENGLAND

Location: West Cornwall, CT
Association member: Charles Wilfong
Operation: Freshfields
Profile: Upscale restaurant offering New American cuisine
In business: 3 years
Seats: 95
Meals served: Lunch, dinner

Freshfields' location on a stream crossed by a covered bridge makes it an attraction all year round, but the restaurant is especially busy during the fall when people drive through the area to admire the colorful changing foliage.

Freshfields offers the leaf-peepers and those customers who have weekend or summer homes in the neighborhood a menu that changes daily and features baked-on-premises bread and desserts, lots of fresh farm products, and fish and meats grilled over mesquite.

A popular item is *Jalapeno Chevre Chicken*—a boneless chicken breast stuffed with goat cheese and basil and glazed with an apple-jelly/jalapeno mixture.

The restaurant's most famous dessert is its *Mile-High Pie* (the actual thickness is approximately five inches), consisting of a chocolate-cookie-crumb crust, three layers of Haagen Daz ice cream—chocolate, vanilla and coffee—a layer of meringue and a drizzle of hot fudge sauce.

2 MID-ATLANTIC

Location: Hallam, PA
Association members: Philip Mackley, Brian Hohenadal, Dennis Traub
Operation: Mackley's Mill Restaurant
Profile: Upscale restaurant with casual seafood section
In business: 2 years
Seats: 85
Meals served: Lunch, dinner

Guests have a choice at Mackley's Mill: They can order such specialties as *Veal with Feta Cream Sauce* in a formal dining area, or they can opt to eat crabs and shrimp in the all-you-can-eat seafood section, where tables are covered with paper.

"Normally business is very good," says manager **Brian Hohenadel.** "We are always filled on weekends." Located in York County amidst woods and farmland, Mackley's Mill depends on private parties and local events for much of its business. In November, for example, it serves hors d'oeuvres and tea after hunts, and in the spring it can expect house tours to bring in between 200 and 250 extra customers.

The restaurant itself is one of the attractions on the house tour because its exterior has been unchanged since it was built as a flour mill in 1736.

3 SOUTH ATLANTIC

Location: Greenville, SC
Association member: Charles McMullen
Operation: Blockhouse Restaurant
Profile: Midscale, casual restaurant in three buildings
In business: 6½ years
Seats: 196
Meals served: Lunch, dinner

Blockhouse owner **Charlie McMullen** has just completed expanding his restaurant to handle the growing business in Greenville, a town in the foothills of Appalachia that has become a thriving business center, thanks to its plentiful supply of workers, low rents, accessibility and pleasant climate. "We've experienced 15 percent growth every year," McMullen says.

Named after a steeplechase that takes place each year 30 miles from Greenville, McMullen has carried out the equestrian theme by decorating the restaurant with old prints of horse-racing and fox hunts and with photos of customers who have taken part in the restaurant's annual excursion to the steeplechase.

Blockhouse serves steaks, prime rib and six different kinds of fish, with a daily special that just might include McMullen's catch from one of his deep-sea fishing expeditions off the Carolina coast.

During September, when the restaurant had to be closed because of the remodeling that doubled its seating, McMullen found a way to keep his customers happy. He threw a party every Friday night in the partly finished restaurant, with free food and drinks. "We had to let them know we still wanted their business," he says.

4 EAST NORTH CENTRAL

Location: Milwaukee, WI
Association members: Edward Levi, John B. Burns
Operation: Heinemann's
Profile: Chain of coffee shops
In business: 65 years
Seats: Average of 145 in each
Meals served: Breakfast, lunch, dinner

What began as a candy business in 1923 has expanded into a company that today owns seven coffee shops, one fast food place and one gourmet restaurant. The coffee shops, in Milwaukee's suburbs and downtown office buildings, are serviced by a central commissary that makes deliveries two times a day. "We pride ourselves on the quality we turn out," says co-owner **Edward Levi,** nephew of the founder. Fresh hamburger buns, homemade soups and "the best cup of coffee in town," plus an average check price of $4.50 draw 3½ million customers each year.

"Business is great. We had our biggest profit yet in August," says Levi. "But we do have one big problem; we can't get enough help."

5 EAST SOUTH CENTRAL

Location: Birmingham, AL
Association members: Bernard Axel, Robin

Holcom, Sarah Bailey, Yvonne Shepherd
Operation: Christian's Classic Cuisine
Profile: Upscale restaurant in hotel
In business: 12 years
Seats: 125
Meals served: Lunch, dinner

After being located in a Birmingham suburb for 10½ years, Christian's Classic Cuisine moved into an Embassy Suites Hotel 18 months ago—five minutes from downtown. Whereas the old restaurant was small, seating 60 and employing 11, the new location seats 125 and employs 105. "Business is great," says assistant manager **Sarah Bailey.** "We are constantly busy."

Classic Cuisine's customers enjoy an international menu in the garden setting of the hotel's atrium. They may order an appetizer of lobster bisque, or small meat pies served with a bearnaise sauce. For an entree a popular choice is the black-ink-and-saffron fettucine tossed in a garlic herb butter with assorted shellfish.

Wine is always an important part of the meal—a gazebo houses a cruvinet and a stock of several hundred bottles of imported and domestic wines, and the restaurant's sommelier serves the wine and trains the staff to make knowledgeable recommendations.

6 WEST NORTH CENTRAL

Location: Eden Prairie, MN
Association members: Bert and Bonnie Noterman
Operation: Lions Tap
Profile: Tableservice restaurant specializing in hamburgers
In business: 36 years
Seats: 200
Meals served: Lunch, dinner

The Lions Tap began in 1933 as a roadside food market in the Minneapolis suburb of Eden Prairie. Gradually the owners added beer, then hamburgers. Today the roadside stand is gone and a cozy-looking restaurant, with wood paneling, a fireplace and pictures of Minnesota wildlife has taken its place. Hamburgers, spiced with the owner's special award-winning seasoning, french fries, beer and soft drinks are all the restaurant serves to the customers, who come from all over Minnesota.

"Business is excellent," owner **Bert Noterman** says. "We serve between 14,000 and 16,000 people a week. That's as much as we can handle." Noterman advertises throughout the state and believes in promotions. For example, during the 1987 Twins World Series, he gave away autographed baseballs at one of the games.

7 WEST SOUTH CENTRAL

Location: Fort Smith, AK
Association member: Dick Smith
Operation: Catfish Cove
Profile: Casual family restaurant serving Southern food
In business: 17 years
Seats: 185
Meals served: Lunch, dinner

When Fort Smith corporations entertain their Northern clients, they bring them to Catfish Cove for catfish and the restaurant's famous hush puppies. Fried okra, black-eyed peas, turnip greens and homemade cobbler are available for those who want "our type of food [Southern]." Other items on the menu include frog legs, Alaskan king-crab legs, shrimp scampi, hickory-smoked barbecued ribs and chicken strips.

"Business has been growing every year," says owner **Dick Smith,** but it took its biggest jump five years ago—50 percent—when he put in a buffet line. Smith thinks it has made his business more consistent and predictable and says it leaves less room for waitress error and, therefore, dissatisfied customers.

8 MOUNTAIN

Location: Santa Fe, NM
Association members: Gordon Heiss, Susan Keller, Meg Hayes, Todd Sanson
Operation: La Casa Sena
Profile: Upscale restaurant specializing in Spanish/Indian food
In business: 5 years
Seats: 100, 70 on the patio
Meals served: Lunch, dinner, Sunday brunch

La Casa Sena is steeped in history. It was originally the house of Jose Sena, a Civil War hero who fought for the Union beside Kit Carson, and the building has been restored to look the way it did in those days—with white adobe walls, oak flooring and a high-beamed ceiling. On the walls hang paintings of famous Taos and Santa Fe artists of the 30s, on permanent loan from a local art gallery. The furniture is natural pine, handmade in Sante Fe. There is a modern touch to this restaurant, too. Singing waiters perform Broadway show tunes nightly.

President and general manager **Gordon Heiss** has tried to make the food historically correct as well. The restaurant serves a blend of Spanish and Indian cooking—not the same as Mexican cooking, Heiss is quick to point out. Tortillas are made from the blue corn grown by the Hopi Indians; and Dixon chiles—a sun-dried product—or a special green chile are some of the trademarks of this type of cooking. "Business is good," says Heiss. "Every year we've been nicely ahead of the previous year."

9 PACIFIC

Location: Sacramento, CA
Association members: Michael Crete, Richard Stevens, Joe Handel, Pete Lenz, Bruce Davis, Gigi Sievers
Operation: China King Express
Profile: Chinese takeout and delivery
In business: 3 months
Seats: None
Meal served: Dinner

After selling his wine-cooler business, **Michael Crete** spent two years doing research before opening the China King Express in Fair Oaks, a suburb of Sacramento. He and his partners wanted to appeal to the two-income families who are too tired at the end of the day to cook, so they offer takeout and a delivery service that gets fresh, hot food to customers. The menu is limited to 10 Chinese dishes known to be favored by Americans. Chow mein is the top seller, but fried rice, sweet-and-sour pork and a spicy Mongolian beef are also popular.

Crete reports that after three months in operation, repeat business is very good, "but they're not knocking down the doors yet."

—Julie Fintel

Fax food

The Danbury, Connecticut, Burger King has gotten a food-preparation-technology boost from its neighbor. It is operating a fax machine loaned by Fujitsu Imaging Systems of America, whose headquarters are nearby, to take orders from Fujitsu employees. Using telephone lines to transmit digital signals, fax machines can send, receive and reproduce written material. Now, instead of waiting in line, Fujitsu employees fax over their orders first and then stop by to pick them up. The fax machine brings in about $100 a week in orders, according to Sandy Ventresca, the company's district manager.

—The New York Times

Poupon propellant

It seems to work with whipped cream, so why not put mustard or ketchup into an aerosol can, wondered Enviro-Spray Systems Inc., in Hoboken, New Jersey. The company spent eight years developing a carbon dioxide system that works.

The unusual packaging format has so far been successful for at least 30 different food products. It is particularly adaptable to condiments, because it maintains their flavor, extends their shelf life and features a tamper-proof container.

Though the packaging costs are slightly higher than for bottled condiments, a French firm, Claude Vetillard Co., is betting that its aerosol ketchup will find its way to the hotdog vendor and to the American dinner table beside the hamburger buns.

—Entrepreneur

Nurturing minorities

A long-term program to increase opportunities for minorities helped raise the number of minority-owned Kentucky Fried Chicken (KFC) restaurants by more than 20 percent last year, according to a report issued recently by the company's Minority Business Development Council, a group of executives that advises top management at KFC and works throughout the organization to ensure that opportunities for minorities are realized.

At the end of 1987, 51 black businesspeople were operating 120 Kentucky Fried Chicken restaurants in the United States—up from 98 restaurants the previous year. The company plans to open 20 new minority-owned restaurants annually.

KFC's program to encourage franchise ownership by minorities includes a guaranteed-loan program that has made loans amounting to more than $38 million since 1983. KFC works with 18 minority-owned banks that together provide a $15 million line of credit to assist in establishing minority-owned KFC franchises. The banks handle restaurant deposits and participate in the company's cash-transfer system.

—Kentucky Fried Chicken

Keeping the memory alive

In addition to driving a white-on-white 1973 Cadillac El Dorado with an "I Love Elvis" bumper sticker, Karl Beckley, the chef and owner of the Green Lake Grill in Seattle, is keeping the Elvis memory alive in his restaurant.

The Green Lake Grill's Burning Love cocktail, named after the old Elvis hit, consists of near-frozen, pepper-flavored Stolichnaya vodka poured into a shot glass emblazoned with Elvis's likeness. Margaret Morse, the mother of Beckley's bartender, lives near enough to Graceland to buy cases of the official Elvis shot glasses, which she ships to Seattle. The cocktail glass is included in the $6.00 price of the drink, and Beckley said he has had trouble keeping up with demand.

—The New York Times

Invading the airwaves

Restaurants—and restaurateurs—are getting prime time on television. Tattinger's, a new drama about a Manhattan restaurant and its owner, made its debut October 26 on NBC. In addition, a New York cable station is now airing the Restaurant Channel, a lively mix of restaurant information, food trends and recipes, and soon hopes to expand into other markets.

To give the Tattinger's series a more realistic air, the studio set has a kitchen furnished with real equipment, although fire laws stipulate that cooking must be done off premises. In addition, some of the furniture, because it comes from the Quilted Giraffe, might seem familiar to restaurant-savvy New Yorkers.

But the biggest treat for restaurant name-droppers is in the third episode, when several restaurateurs appear on the show. David Liederman of Chez Louis and David's Cookies, Joseph Baum of the Rainbow Room and Aurora, George Lang of Cafe des Artistes, and Elaine Kaufman of Elaine's all have cameo roles in the episode.

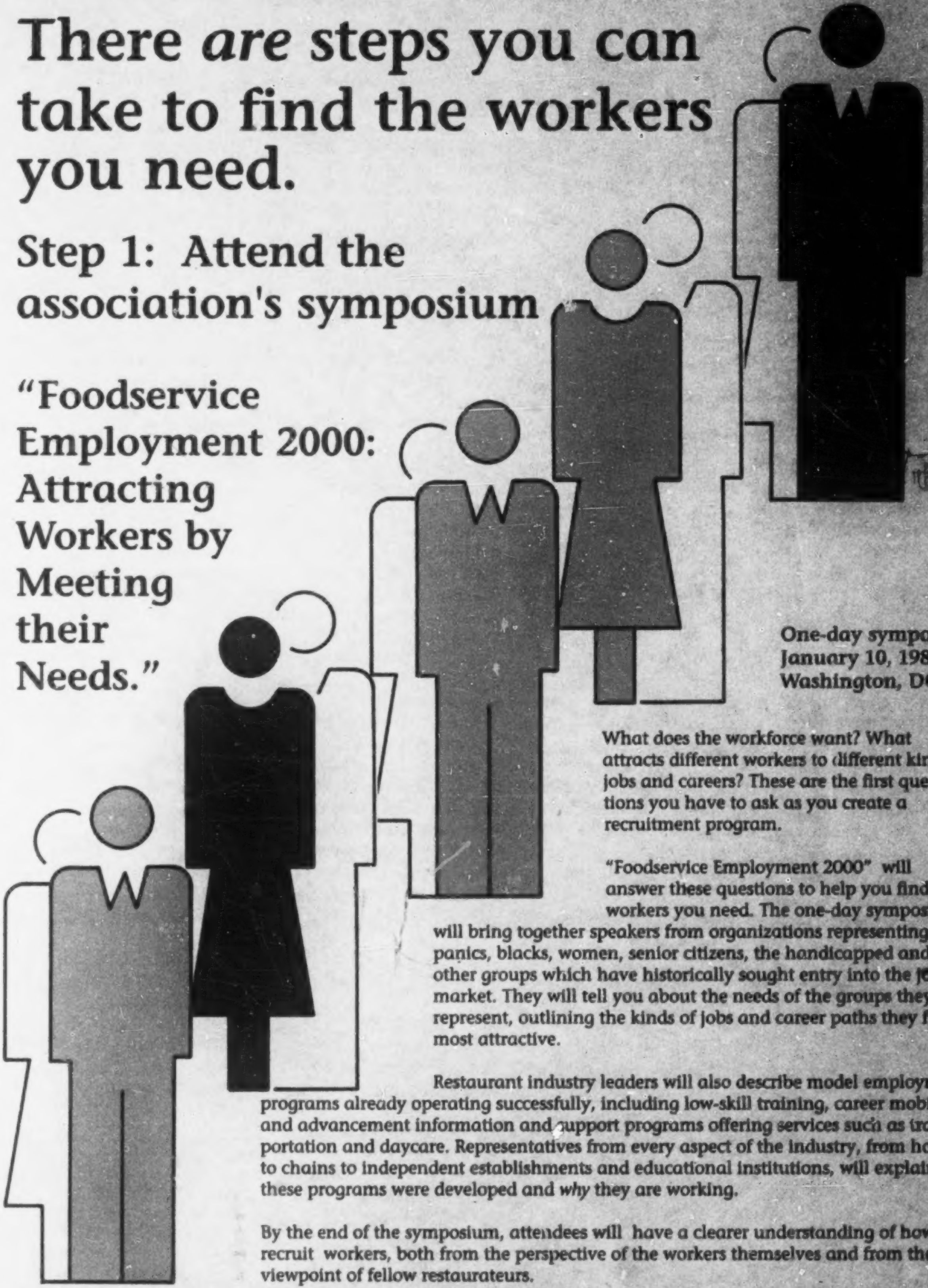
The Restaurant Channel also features restaurateurs and chefs, but they are more in their element, as they demonstrate their specialties for food enthusiasts. In addition, a narrator reads clips from leading magazines and newspapers about food news, such as young children dining in fine restaurants, egg creams in Russia or a chocolate factory in Brooklyn.

—The New York Times and *Cook's Magazine*

There *are* steps you can take to find the workers you need.

Step 1: Attend the association's symposium

"Foodservice Employment 2000: Attracting Workers by Meeting their Needs."



One-day symposium
January 10, 1989
Washington, DC

What does the workforce want? What attracts different workers to different kinds of jobs and careers? These are the first questions you have to ask as you create a recruitment program.

"Foodservice Employment 2000" will answer these questions to help you find the workers you need. The one-day symposium will bring together speakers from organizations representing Hispanics, blacks, women, senior citizens, the handicapped and other groups which have historically sought entry into the job market. They will tell you about the needs of the groups they represent, outlining the kinds of jobs and career paths they find most attractive.

Restaurant industry leaders will also describe model employment programs already operating successfully, including low-skill training, career mobility and advancement information and support programs offering services such as transportation and daycare. Representatives from every aspect of the industry, from hotels to chains to independent establishments and educational institutions, will explain *how* these programs were developed and *why* they are working.

By the end of the symposium, attendees will have a clearer understanding of how to recruit workers, both from the perspective of the workers themselves and from the viewpoint of fellow restaurateurs.

"Foodservice Employment 2000" will be held on Tuesday, January 10, 1989 at the Mayflower Hotel in Washington, DC. The cost is only $30 per person. A complete brochure outlining the program will be mailed to members shortly. For more information, call the association's Communications Department at 202/331-5900 or 800/424-5156.

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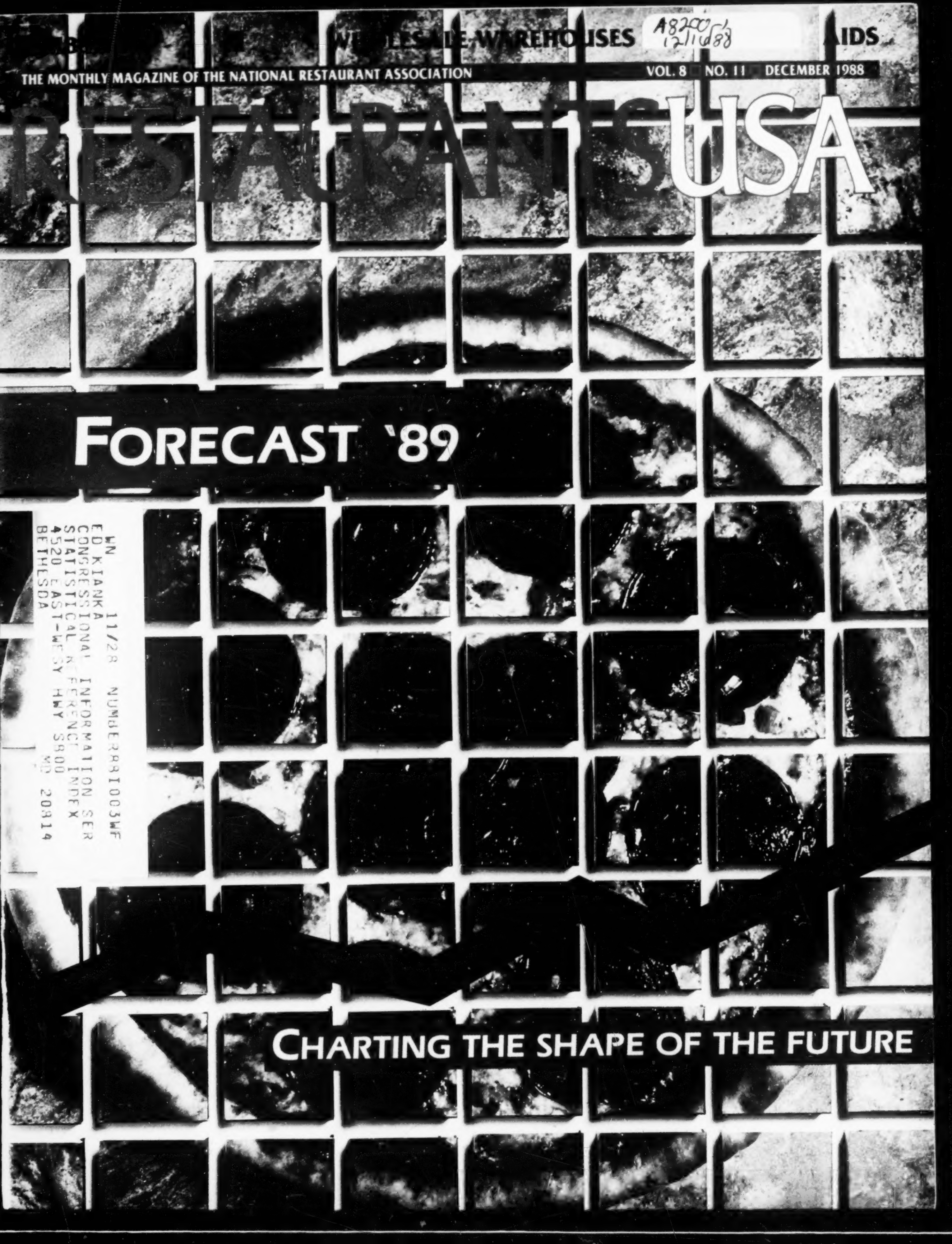
THE MONTHLY MAGAZINE OF THE NATIONAL RESTAURANT ASSOCIATION VOL. 8 NO. 11 DECEMBER 1988

RESTAURANTS USA



FORECAST '89

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CHARTING THE SHAPE OF THE FUTURE

ASSOCIATION MEETINGS

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1/24	Boston, MA
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2/22	Pittsburgh, PA
2/28	Portland, OR
3/1	Seattle, WA
3/14	New York, NY
3/15	Burlington, VT
4/4	Atlanta, GA
4/5	Orlando, FL
4/10	Virginia Beach, VA
4/18	Grand Rapids, MI
4/19	Milwaukee, WI

Kitchen Management

1/23	Louisville, KY
1/24	Jacksonville, FL
1/30	Williamsburg, VA
2/1	Little Rock, AR
2/6	Minneapolis, MN
2/7	Milwaukee, WI
2/23	Savannah, GA
3/5	Shreveport, LA
3/6	Atlanta, GA
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4/11	Burlington, VT
4/17	Washington, DC
4/24	Austin, TX
4/25	Fort Worth, TX

Foodservice Management Courses

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1/24	Orlando, FL
1/26	San Antonio, TX
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3/7	Colorado Springs, CO
4/11	Covington, KY
4/12	Detroit, MI

Food Cost Management

1/24	Orlando, FL
1/25	Atlanta, GA
2/7	Denver, CO
3/6	Washington, DC
3/14	Berkshires, MA
3/20	Pittsburgh, PA
4/11	New Orleans, LA
4/25	Valley Forge, PA
4/26	Rockville, MD

Off-Premises Catering

1/24–25	Philadelphia, PA
2/6–7	Boston, MA
3/7–8	Louisville, KY
3/28–29	Tyson's Corner, VA
4/4–5	Chicago, IL
4/25–26	San Antonio, TX

Planning Successful Buffets

2/20	Orlando, FL
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4/3	Grand Rapids, MI
4/4	Minneapolis, MN
4/17	Hartford, CT

Profitability

2/15	St. Louis, MO
2/16	Cincinnati, OH
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4/5	Boston, MA
4/6	Philadelphia, PA

For information, contact:
Educational Foundation of the
National Restaurant Association
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If your company is interested in our in-house programs, call or write to the attention of Larry Fidel at the above address.

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5/17–19 Chicago, IL

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1/18–20 Scottsdale, AZ

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USA

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PRESIDENT'S REPORT

Jim L. Peterson, President and Chief Executive Officer
Whataburger, Inc., Corpus Christi, TX

The 1989 National Restaurant Association Foodservice Industry Forecast is included in this month's ***Restaurants USA.*** The forecast contains good news, including a $14 billion increase in industry sales to a record level of $227 billion. Measured in real dollars (dollars corrected for inflation), that translates into a 2.2 percent increase, marking the industry's ninth consecutive year of real sales growth.

Ninth year of growth ahead

It should be noted, however, that although the industry continues to grow, the rate of real growth is decelerating. This slackening pace reflects a general deceleration of growth predicted for the national economy in 1989. Nevertheless, it should prompt us to continually reevaluate the performance of our companies. There are more of us today competing for the food dollar, and discerning patrons will be looking for value for the dollar and quality of service.

"Foodservice Employment 2000" scheduled for January 10

Quality service requires a quality labor force. Recently, many operators are finding employees harder and harder to come by. To help target special groups of potential foodservice workers, the association is sponsoring a one-day symposium in Washington next month entitled "Foodservice Employment 2000." The meeting will take place on January 10, 1989, and will feature representatives from various demographic groups, such as the Hispanic Policy Development Project, the National Urban League and the National Council on Aging. These representatives will discuss how you can attract their constituencies as workers by appealing to their special needs.

You will also hear from other operators about successful programs that have recruited employees in this time of tight-labor markets. There is still time to sign up for the symposium by returning the registration form you received in the mail to the association communications department in Washington DC.

Great Menu Contest entries due February 28

It is time once again to participate in the association's Great Menu Contest. Rules and entry forms are being sent to members this month; so check the mailbox for more information. Entries are due February 28, 1989.

INFO '89 in Monterey, March 9-11

The 1989 Independent Foodservice Operators (INFO) Conference will be held in Monterey, California, March 9-11, 1989. This conference focuses exclusively on the needs of independent foodservice operators. The theme of INFO '89 is: "Service: Your Survival Kit for the 90s." For more information about INFO '89, contact the Educational Foundation of the National Restaurant Association in Chicago at (312) 715-1010.

Montery Wine Festival, March 12-14

Following the INFO conference, the Monterey Wine Festival will be held March 12-14, 1989. This event is in its third year of association sponsorship. About 200 of California's finest wineries will participate in this year's festival. Wine-tasting receptions, educational programs and the annual Monterey Wine Festival auction are some of the events awaiting those who attend.

Alcohol Awareness campaign

Around the holidays, it is important to think about ways to keep drunk driving to a minimum. The association encourages proper training of employees serving alcoholic beverages as well as reminders to patrons to know their limits.

In addition, the association's Alcohol Awareness Task Force is launching a campaign to urge every state to pass laws imposing appropriate punishment on people who purchase alcohol illegally with false identification. The task force also favors state regulations by which anyone charged with driving while intoxicated has his or her license automatically revoked. We as operators should strive to serve alcohol responsibly. At the same time, those who actually violate the law should be penalized.

New industry factbook

The association's new 1988-1989 *Foodservice Industry Pocket Factbook* has been inserted in the center of this issue of ***Restaurants USA.*** This handy reference contains up-to-date facts and figures about our industry and fits conveniently into a wallet or purse, making it easy to cite significant industry statistics to friends, employees, customers, audiences and media representatives. We think everyone should know about the size and scope of our industry. Additional copies can be purchased by calling the association's research department in Washington DC at 1-800-424-5156, or (202) 331-5900.

We are glad to welcome the 65 new members who joined the association in December. And to all our members, new and old, we at the association wish you happy holidays and a prosperous new year.

Sincerely,

Jim L. Peterson

Jim L. Peterson
President and Chairman of the Board

RESTAURANTS USA

COVER STORY: 1989 FORECAST

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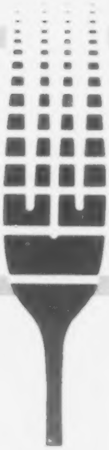

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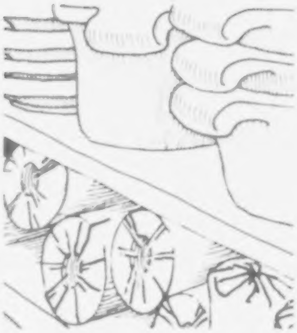

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Cover photo by Gary Landsman
Food stylist: Debbie Wahl

Association past president Eure dies

Thad A. Eure, Jr.

Thad A. Eure, Jr., renowned Raleigh, North Carolina, restaurateur and president of the National Restaurant Association for the 1978-79 term, died on November 18 after a three-month battle with cancer. He was 56.

A native of North Carolina, Eure had been in the restaurant business for more than 25 years. His most popular restaurant, The Angus Barn in Raleigh, is renowned for its steaks. Eure and his partners also founded Darryl's 1906 restaurant, a concept that was later bought by General Mills and expanded throughout the Carolinas.

After serving as president and board chairman of the North Carolina Restaurant Association, Eure was elected to the National Restaurant Association's Board of Directors in 1970.

When Eure took over the National Restaurant Association's helm in 1978, his leadership helped the association score legislative victories on several important issues, including stopping attempts to repeal or reduce the tax deductibility of business meals.

As the nation's energy problem worsened through early 1979, Eure helped to produce the Conservation Awareness Program for Energy Management (CAP'EM), an association-sponsored program that communicated its energy-saving message to Americans through media, schools, organizations and foodservice outlets. The association also introduced an energy-conservation seminar for foodservice operators nationwide.

Eure's commitment to the industry did not diminish at the end of his presidential term. He served on the board of directors of the U.S. Culinary Team Foundation from its formation in 1983. And from 1985 to 1987, he served as president of the Educational Foundation of the National Restaurant Association, presiding over consolidation of the association's education and training activities and the National Institute for the Foodservice Industry (NIFI) in January 1987. In May 1988, the foundation honored Eure by inducting him into its prestigious College of Diplomates.

New newsletter on wine

RESTAURANT
WINE
IN THIS ISSUE

Restaurant Wine is a new educational and consulting newsletter designed for restaurateurs, hoteliers and club managers. The newsletter's creators, Master Sommelier Ronn Wiegand and his wife Brenda Boblitt, a professional wine judge and taster, claim it will serve as "an in-house wine consultant," focusing on ways to buy, sell and serve wine. The nine issues published each year will feature merchandising tips, information on training servers, operation profiles and a regular wine-buying guide with recommendations arranged by price and winery phone numbers for quick shopping. Subscription price is $95. To order, write to *Restaurant Wine*, PO Box 222, Napa, CA 94559.

First U.S. tour by Soviet chefs

"When I saw two people come with spoons and not with arms, I knew we would understand each other," said Vladimir Vokhmin, the head of the Soviet Chamber of Commerce and Industry, during a press conference in Washington DC that marked the beginning of the first tour of the United States by a team of Soviet chefs.

Chefs representing the American Culinary Federation (ACF) rolled out the red carpet for the Soviets—master chef Michael Vydysh, sous chefs Andre Mallygin and Natalia Tokareva, Vokhmin—the head of the delegation, a protocol officer, a translator and a group of four musicians, who added atmosphere to the cooking demos by the Russians.

Stops on the 10-day tour included New York, Los Angeles, Washington DC, Cincinnati, Baton Rouge, New Orleans, St. Augustine, Orlando and Atlanta, with visits to the International Restaurant Show, the Culinary Institute of America, Walt Disney World, Bourbon Street, Hollywood, the White House kitchens, a catfish-processing plant, a supermarket and, of course, the Russian Tea Room.

The tour culminated in a visit to ACF headquarters in St. Augustine, where the chefs signed two key documents. One was an invitation for 10 ACF leaders to come to Russia in the summer of 1989 to establish a national chefs' association. The other was an agreement to come to the next Congress of World Cook Societies in Singapore to observe—and possibly join—the 43-nation group. Only members of this organization can compete in the culinary olympics in Frankfurt.

The Soviet culinary glasnost visit was a trip eight months in the making, spearheaded by Louisiana Cajun chef John Folse of Lafitte's Landing in New Orleans. Folse was the first chef to serve American food in Moscow; he opened a restaurant at the Moscow World Trade Center for the presidential summit between U.S. President Reagan and Soviet Leader Gorbachev. It was Folse's idea to bring the Soviet chefs to the United States.

The kitchen diplomacy may continue. Vokhmin mentioned future plans to open an American creole restaurant in Moscow and suggested that some U.S. chefs visit Moscow again next year.

MASH IT UP* CARIBBEAN-STYLE

As several once-trendy Caribbean restaurants reach a more mature stage in New York City, others are appearing throughout the country, and midscale and upscale restaurateurs are giving a tropical twist to their menus by innovatively adapting the seasonings, ingredients and recipes of the islands.

by David Slater

**a huge success in the language of the Rastas*

When Bob Marley, the late king of Jamaican popular music, sang, "Stir it up, little darling," he was unaware that he was giving future advice to American chefs slaving over bubbling pots of spicy callaloo stew. Because just as the throbbing reggae, calypso and soca music of the Caribbean is becoming widely accepted in the dancehalls of America, so is Caribbean island fare becoming more common on American menus.

What's Caribbean?

The eclectic fare that Americans have come to call Caribbean is difficult to characterize because it came from several divergent island cultures. The Caribbean extends from Florida to the Venezuelan coast of South America, and it includes Jamaica, Cuba, Puerto Rico, the Bahamas and many smaller islands. These countries' cooking exhibits the influence of the Spanish, French, Dutch, English and Portuguese settlers, and also that of the African and Asian itinerant laborers who brought with them their own ingredients and cooking styles. The Caribbean peoples have managed to combine all these disparate elements, producing an original cuisine that varies with each country, yet shares many common ingredients and spices.

Since the growing season in the tropics and subtropics runs year round, not surprisingly Caribbean cuisine relies heavily upon fresh fruits, herbs and vegetables—many of which are as unfamiliar to Americans as Szechuan peppers once were. Ocean fish, so readily available, also are prevalent, and grouper, snapper, mullet, lobster and conch often appear in soups, stews and salads.

Caribbean cuisine also relies on the generous use of spices and peppery seasonings. Several island dishes pack the three-alarm heat more commonly associated with Cajun, Thai or Mexican specialties. Standard Caribbean spices include allspice, thyme, coriander, cinnamon, tamarind, curry powder and a variety of fiery chiles. The chiles' sear often is tempered deliciously, however, by coconut milk and by bland root vegetables, such as sweet potatoes, cassaba, taro and callaloo.

How the Caribbean craze began

As new Caribbean restaurants open in cities throughout the country, Americans are exploring what is for many a new cuisine. Caribbean food, however, first got a foothold in the United States early in the decade. In high-immigration areas, such as Florida, New York City, Washington DC and Chicago, storefront Caribbean restaurants have catered to homesick West Indians for several years. As Caribbean populations continue to rise, more of these small, authentic restaurants are opening and thriving, often reaching a new non-Caribbean clientele.

The authentic ethnic eateries that have popped up in the cities generally are family-run by Caribbean owners. They specialize in the cuisine of the owner's native country. Trendiness is not a prime consideration: The food, served in generous portions at low prices, usually receives more emphasis than the simple decor.

But Caribbean food remained relatively undiscovered by most Americans until just a few years ago, when some prescient Manhattan restaurateurs realized that those who can't be in the Caribbean might enjoy having the islands brought to them. In 1985 New York City's Sugar Reef (60 seats) got the ball rolling by combining the authentic food of the storefronts with a festive Caribbean motif—complete with pulsating music, kitschy tropical drinks, plastic ferns and fake bananas.

Sugar Reef and New York's other attention-grabbing Caribbean restaurants, such as Caribe, Bayamo and Bahama Mama, were as hot in 1986 and 1987 as the scotch bonnet peppers that give a kick to their dishes. And now that the trendy crowds have moved on to the next group of "in" restaurants, operators such as Zeet Peabody, co-owner of Sugar Reef, report that "business overall is still very strong, even though money is tight right now in New York."

CALLALOO SOUP

Serves 6

Ingredients:

1 lb. callaloo leaves or spinach or Swiss chard
6 cups chicken stock
1 onion, finely chopped
1 clove garlic, chopped
2 or 3 scallions, chopped, using green and white parts
¼ tspn. thyme
4 ozs. lean salt pork, cut into ½-inch cubes
½ lb. fresh, canned or frozen crabmeat
½ cup coconut milk
½ lb. young okras or 10-oz. package frozen okra, sliced
Salt, pepper to taste
Hot-pepper sauce to taste

Method:

Wash greens and chop coarsely. Put greens into a large, heavy saucepan with chicken stock, onion, garlic, scallions, thyme and salt pork. Cover and cook at a gentle simmer until the pork is tender. Add crabmeat, coconut milk and okras and cook until okras are done, about 10 minutes. Season to taste with salt, pepper and hot-pepper sauce. Usually served with Foo-foo—pounded green-plantain balls.

—Antares, Hyatt Regency Dallas

One hedge that the best of these New York Caribbean restaurants have against the uncertainties of a changing social scene, says Bill Gottlieb, owner of Caribe (86 seats), is a deep-rooted "emphasis on the food as opposed to the glitz." Caribe's menu includes specialties from a variety of Caribbean countries, with a particular emphasis on Jamaican dishes such as jerk chicken—a searing barbecued chicken that is highly seasoned with peppers and spices, then slowly smoked over a wood fire—jerk pork, whole red snapper, and salt fish and callaloo (the spinach-like leaves of the taro plant). Other specials include St. Lucia-style oxtails, sauteed Dominican-frogs legs (known as mountain chicken), a Cuban-style pork dish called *picadillo*, and daube Martinique style—a French beef stew cooked in a Dutch oven with red wine and spices.

David Slater is a communications specialist at the National Restaurant Association.

CONCH FRITTERS

Serves 6

Ingredients:

1 lb. conch
3 stalks celery, finely chopped
1 large carrot, finely chopped
1 onion, finely chopped
1 leek, finely chopped
½ cup butter
Pinch of thyme, basil, oregano, salt, pepper
¼ tspn. baking powder
4 eggs
¾ cup flour
Splash of milk
2 quarts vegetable oil or more

Method:

Put the conch through a meat grinder or food processor. Saute all the vegetables in butter for about 3 minutes. Add herbs. Place mixture in large bowl together with conch, baking powder, eggs, flour and milk. Mix well to a thick yet runny consistency. Chill.

Heat oil to 350° for frying. Using a large oval spoon, form 1-inch-thick dumplings. Allow them to fall straight into deep fryer. Cook for about 4-6 minutes. Serve with tartar sauce, dill mayonnaise, salsa, sour cream sauce or hot sauce.

—from Tropic Cooking *by Joyce LaFray Young (Ten Speed Press, Berkeley, CA, 1987)**

SUGAR REEF'S FRIED CHICKEN

Serves 4

Ingredients:

1 3-to-4-lb. frying chicken
3 cloves garlic, crushed and minced
1 tspn. salt
¼ cup olive oil
1 Tbs. malt vinegar
1 tspn. garlic powder
½ tspn. freshly ground black pepper
1 Tbs. sweet, mild paprika
Juice of ½ lemon, ½ lime
1 packet Sazon Goya brand seasoning with cilantro and annatto seed
Vegetable oil for frying

Method:

Cut chicken into at least 16 pieces. Cut wing tips from the chicken pieces and discard along with extra fat. Put remainder of ingredients (except the oil for frying) into a blender and puree. Marinate chicken overnight in this mixture.

Bake the marinated chicken at 400° for 30 to 40 minutes. Remove chicken from marinade and deep-fry for 3 minutes in light vegetable oil heated to 350°.

—from Tropic Cooking *by Joyce LaFray Young (Ten Speed Press, Berkeley, CA, 1987)**

**Copyright 1987 by Joyce LaFray Young*

At Sugar Reef, too, owner Peabody credits the authentic menu with being the key to winning the regular customers who pack the restaurant on weekend nights. "We strive to keep a true and interesting menu," he says, adding that he and his co-owners go to a different Caribbean island each year to sample foods and talk to chefs. "If you stay interested, it's hard to exhaust all the possibilities of Caribbean cuisine," he says. "In fact, right now I'm making boudin noir wild blood sausage and also conch sausage. These are things the old Creole families eat."

Restaurants add Caribbean best sellers

Although trendy Caribbean restaurants struck paydirt with authentic menus and tropical motifs, other savvy operators are finding their own piece of the action through the creative addition of selected island dishes to non-Caribbean menus.

At the Peasant Restaurants, based in Atlanta, Georgia, Caribbean-accented dishes became immediate best sellers at several of the company's 14 units, including the Pleasant Peasant in Washington DC; and Trio, Dailey's and the Peasant Uptown in Atlanta. According to Glen Powell, director of menu development, "Every Caribbean dish we run sells well." At Trio, for example, the restaurant's most popular dish is a Caribbean chicken breast. "When we opened Trio in September 1987, we had planned on rotating our chicken dishes," explains Powell. "But we still haven't taken it off." Similarly, he adds, the jerk duck at the Peasant Uptown "sells better than any duck we've ever run," and Island tuna, a fresh tuna marinated in jerk spices, is one of the quickest-moving dishes at Dailey's.

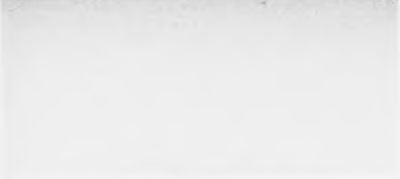
For its Caribbean dishes, the chain uses a line of Jamaican-style seasonings and tropical sauces from Helen's Tropical Exotics, based in Clarkston, Georgia. Although Powell says he usually is skeptical of premixed spices, he decided to stick with Helen's spices because her Caribbean seasonings involve the combination of more than 20 spices and because "they tasted so good we didn't think we could improve upon them."

Powell has difficulty explaining the popularity of the Caribbean dishes at Peasant Restaurants. "I don't think it's the trendiness of Caribbean food, because we don't have a trendy type of clientele," he explains. "I think it's just because they are good dishes. They're unique. The spices are hot, but at the same time they balance out and have a certain sweetness. And even though some of the spices are familiar, the overall effect is complex."

Ray Edmunds, owner of the Hobbit Hole (150 seats) in Houston, Texas, is another operator whose customers have taken to the intriguing Caribbean spices. He recently added several Caribbean dishes to his once strictly vegetarian menu, and has found that they fit in well with the restaurant's healthful, casual motif. Among the dishes on the Hobbit Hole menu are Caribbean snapper in a West Indian sauce, jerk chicken and a West Indian stir-fry with a coconut and chutney base.

At Antares in Dallas, Texas, the Hyatt Regency's 275-seat specialty restaurant, a month-long Caribbean festival in August was a huge success. "Over 50 percent of our 10,800 covers in August came off of our Caribbean festival menu," says food and beverage director Todd Martin. "It was a great response."

Lunch specials offered during August included cream of callaloo soup with crabmeat, broiled breast of chicken with curry fruit sauce, and roast pork calypso with rice and black mushrooms. Among the popular dinner items were conch fritters with lime mustard sauce; conch salad Jamaican style; stuffed pompano with lemon, crabmeat and fresh lemon sauce; grilled beef tenderloin with



CODFISH CAKES (STAMP AND GO)

Makes about 24

Ingredients:
½ lb. salt codfish
1 cup all-purpose flour
1 tspn. baking powder
½ tspn. salt
1 egg, lightly beaten
¾ cup milk
1 Tbs. butter, melted
1 Tbs. annatto coloring*
1 onion, finely chopped
1 fresh hot pepper, chopped
Vegetable oil for deep-frying

Method:
Put codfish in a bowl, cover with warm water and soak for 2 hours or longer, according to the saltiness and hardness of the fish. Drain, rinse and place in a saucepan with boiling water to cover. Simmer gently, covered, until the fish is tender, about 15 minutes. Drain and remove bones and skin, and shred fish finely.

Sift flour, baking powder and salt together. Combine egg, milk, butter and annatto coloring and stir into dry ingredients. Add the fish, onion and pepper; mix well. Drop by tablespoonful into hot oil (370° on a frying thermometer) and fry until golden brown. Drain on paper towels and serve hot.

**a deep orange coloring made from soaking the annatto seed in boiling water. Vegetuble color may be substituted.*

—Antares, Hyatt Regency Dallas

JERK PORK

Also can be used with beef or poultry. Serves 8

Ingredients:
1 lb. pork, trimmed and sliced into 1-inch strips
18 whole black peppercorns, ground
5 whole allspice seeds, ground
½ medium onion, finely minced
1 cup scallions, finely chopped
2 Tbs. freshly chopped thyme leaves
½ Scotch Bonnet pepper or other hot chili pepper, finely minced
2 tspns. Worcestershire sauce
Salt to taste
2 Tbs. vegetable oil

Method:
Blend all ingredients, except pork, in a food processor or mix by hand. Rub mixture well into pork and allow to marinate, refrigerated, for 1 to 3 hours.

Broil or grill at medium temperature, basting with meat juices. If you are able to obtain allspice wood, use it with the charcoal, or substitute another fragrant wood, such as mesquite.

—from Tropic Cooking *by Joyce LaFray Young (Ten Speed Press, Berkeley, CA, 1987)*

"Caribbean is definitely a force to be reckoned with."

green paw paw chutney and cashew sauce; and Havana-style fresh lobster.

The festival's success, says Martin, serves as evidence that "People are ready for the Caribbean taste. Although I don't think Hyatt would ever open a strictly Caribbean restaurant," he adds, "for a 30-day festival, the cuisine is ideal for us."

At the Palace Cafe in Santa Barbara, California, owner Steven Sponder also managed to tap into the public's taste for upscale Caribbean cuisine when he added several South Florida Caribbean dishes to his Cajun-Creole menu in June 1988. The dishes fit in well with his established offerings, says Sponder, because "Caribbean is really a natural extension of the Cajun concept. It uses lighter and less intense spices, but the cuisines share lots of similar roots." The upscale Caribbean additions have "breathed new life into the restaurant," he adds, increasing traffic at the already-popular restaurant by nearly 20 percent.

The nouvelle Caribbean dishes that Sponder added emphasize seafood that is flown in each day from Florida. Daily offerings include Bahamian conch chowder, coconut shrimp served with a zesty orange horseradish sauce, sole Martinique with grilled bananas and green peppercorns, and Jamaican coffee-roasted fish with a coffee cream sauce. Florida stone crab claws, rarely available outside the Caribbean, are also served in season, and Sponder keeps a list of customers who ask him to call them whenever the restaurant has the delicacies in stock.

Chefs develop Caribbean takeoffs

Although the nouvelle Caribbean recipes served at the Palace Cafe and Antares came from kitchens in Florida and the Caribbean, several other innovative American chefs are imaginatively borrowing ingredients and seasonings from traditional Caribbean cooking and weaving them into totally original island-accented dishes—with dramatic results.

At Lola (86 seats) in New York City, for example, the rotating menu of American dishes is given some spice by Caribbean-inspired dishes, such as crispy shrimp and potato fritters, 100-spice fried chicken, and shrimp and chicken curry served over wild-rice waffles. These dishes, although not authentically Caribbean, reflect the innovative culinary philosophy of co-owner Yvonne "Lola" Bell. Bell, whose West Indian mother trained at the Culinary Institute of America, considers Caribbean cooking "really to be a style of seasoning—such as always marinating meat to tenderize it, or adding lemon as a seafood or chicken base."

"Americans love Caribbean food, but too many restaurants do it with too much of a 'peasant' feel to it," asserts Bell. "Rather than the same old jerk chicken, why not cook a rack of lamb with a honey/curry glaze and a spicy chutney, or a pheasant with a quail chutney? Why not fresh lima beans and coconut milk with vegetables and rice rather than peas and rice? Or a warm callaloo salad rather than callaloo stew?" Bell finds it difficult to convince French-trained chefs of the merits of the Caribbean style of seasoning, but she remains certain that, with imagination, chefs can create original Caribbean dishes with "appealing flavors and seasonings."

Clearly, the future is as bright for Caribbean food as the sun beating down on the islands.

Mario Tamayo, owner of Cha Cha Cha (60 seats) in Los Angeles, also is a proponent of combining the familiar Caribbean spices and ingredients with a healthy dose of creativity to adapt new dishes to the contemporary palate. He developed his Latin/Caribbean menu after discovering that the few local restaurants that served Caribbean food were too pedestrian to appeal to upscale Californians. "They were great ethnic places," he says, "but neither their food, nor service nor cuisine was contemporary."

The unmistakably contemporary Cha Cha Cha features upbeat Latin music and distinctive art by modern Latin artists. The creative menu at the two-year-old restaurant features original dishes, such as chicken cooked with orange and lemon juice, vegetables, cumin and cilantro; fresh corn tamales with golden caviar, green sauce and sour cream; and steak cooked with red and green peppers, onions and tomatoes.

"I call it contemporary Latin/Caribbean because it's Cuban, Puerto Rican, Mexican, Jamaican," says Tamayo. "The food encompasses a variety of Caribbean cuisines, and I want to be able to play with them all," he adds. Tamayo also exhibits shrewdness in introducing new ingredients to the skeptical American public. For example, instead of cooking yucca and serving it as a vegetable in the traditional Caribbean style, he slices it and serves it as "yucca fries." "I did it because customers were visually familiar with french fries, and visuals are everything. Once they become familiar with a new taste like yucca, you can take it and present it to them in other ways," he explains.

Tamayo's success at the Cha Cha Cha has been so promising that one year ago he opened Cafe Mambo, a continental Caribbean restaurant that differs from Cha Cha Cha in that it serves breakfast and emphasizes finer meats and seafood. "Caribbean is definitely a force to be reckoned with," says the owner. "People were really ready for something fresh and exciting."

Not simply a fad

The variety of Caribbean restaurants that have appeared across the country, and their continued success, seems to support the assertion of Don Goodwin of Bahama Mama's. "Caribbean food will continue to be accepted into the mainstream and will become another alternative cuisine, like Japanese, Chinese or Cajun," he predicts. The adaptation of the island ingredients and spices for mainstream menus further underscores the acceptance of the versatile Caribbean flavors.

"Our food is natural, from-the-earth—'roots' food, not shake-and-bake. Lots of folks are catching on to us, and we're going to win them all over," says Cecil Hendricks, owner of Chicago's West Indian Tastes, applying his characteristically upbeat Caribbean logic. Clearly, the future is as bright for Caribbean food as the sun beating down on the islands. ❑

Caribbean terms and t'ings, mon

Caribbean cuisine features unusual ingredients that often go by several different names and spellings. The dishes, too, frequently have imaginative—and sometimes unexplainable—monikers. Here's a sampling.

□ **Ackee**—An oblong fruit with a scarlet shell and inedible large black seeds. The flesh looks and tastes like scrambled eggs and is often sauteed with salted codfish, sliced onions, tomatoes and scallions. Ackee is available only in cans in the United States, which is just as well because certain parts of the fruit become poisonous when they are overripe.

□ **Calabaza**—A yellow-skinned winter squash whose orange-yellow flesh has a delicate, pumpkinlike flavor and is often sold by the wedge. It can be served as a vegetable or used in soups or desserts.

□ **Callaloo**—A popular island vegetable that resembles spinach in appearance and flavor. Callaloo soup is popular in Trinidad, Jamaica, Haiti and several other Caribbean islands.

□ **Cassava**—A tropical vegetable with a long tuberous root (at least 2 inches wide and 8 to 10 inches long) and a tough brown skin. Also known as "yucca," "tapioca" and "manioc," cassava is often served as a bland, starchy vegetable.

□ **Conch (pronounced "konk")**—A large, spiral-shelled mollusk, usually 9 to 12 inches long. Uncooked conch is tough and rubbery and is usually tenderized by pounding. Conch is widely used in salads, stews, soups and fritters.

□ **Escovitch fish**—A highly seasoned Jamaican dish in which fresh ocean fish is pan-fried until the skin is crunchy. Often served cold.

□ **Mauby**—A sweet and slightly bitter drink made from the bark of the algarroba (carob) tree.

□ **Pigeon peas**—Small round peas of African origin, about the size of garden peas. The versatile peas go by other names, including "gungo," "gunga," "gandules," "goon-goo peas," "channa peas" and "arhar dahl."

□ **Roti**—A sandwichlike dish made by folding a flat piece of bread (called a "purie") around a stuffing. A popular meal in the Caribbean, rotis are stuffed with everything from curries to vegetables.

□ **Run down**—The Jamaican name for salted codfish simmered in coconut milk, then boiled down to a custard with peppers, onions, tomatoes and scallions. Salted catfish, mackerel, shad or rock-lobster tails can be substituted for the codfish.

□ **Stamp and go**—The Caribbean name for codfish cakes.

□ **Tamarind**—A legume with large brown pods containing seeds. The acidy brown pulp that surrounds the seed has a rich, spicy flavor. Tamarind is used in spicy chutneys, relishes and curries, and it is mixed with water and sugar to create a refreshing soft drink.

A I

AIDS is a deadly disease of the immune system that has affected individuals in all walks of life and businesses all over the country. Foodservice operators, like all businessmen and women, must be prepared to deal with the crises that can surround an occurrence of AIDS in their restaurants.

by Paul Moomaw

In 1988 the AIDS issue came to the forefront of public discussion. Although AIDS, which stands for acquired immune deficiency syndrome, has been a crucial social and health-care issue throughout the last several years, this year the sensitive subject began to be treated with more openness. The U.S. government mailed a pamphlet containing the facts about AIDS to every household in the United States, and Surgeon General C. Everett Koop spoke all over the country and on television as part of a nationwide educational campaign designed to fight ignorance about how the AIDS virus is spread.

Even though public discussion about AIDS has improved knowledge about the disease, fear and anxiety about the virus and its carriers remain. A recent study published in the *New England Journal of Medicine* suggests that some Americans feel hostility toward those inflicted with AIDS despite understanding how the disease is (and is not) spread.

Employee concerns

Like all other industries, the foodservice industry has had to deal with AIDS as a labor issue. Some restaurant workers have worried that they could catch the AIDS virus from a co-worker, although AIDS is not spread through the casual contact that occurs in the average workplace. AIDS is spread through sexual contact, shared needle use, through infusion of contaminated blood or through the placenta from mother to fetus. Consequently, foodservice operations are safe places in which to work.

Many restaurateurs worry about their ability to hire and fire employees who have been diagnosed with AIDS. In many cases, courts have treated AIDS victims as handicapped individuals for purposes of employment discrimination. Although discrimination law in this area is still evolving, decisions seem to be upholding the rights of AIDS carriers. Because of this climate, it is generally unwise to insist that prospective or current employees be tested for the presence of the AIDS antibody. A test result that affects a hiring or firing decision may lead to a discrimination lawsuit. In at least two cases, foodservice employees who believed that they were fired in the wake of AIDS rumors brought costly lawsuits against their employers—and won initial decisions.

In some instances, ill-informed restaurant employees have objected to having to work with an infected coworker, fearing unjustifiably that the disease could be spread through casual contact. Situations such as these are best treated with an education campaign that emphasizes the facts about AIDS—especially the fact that the disease is not foodborne or spread through casual contact. Many businesses have dispelled workers' fears about an infected employee with a well-conceived education presentation. It is even better to initiate such a program *before* an AIDS-related crisis occurs in your restaurant. The National Restaurant Association has produced materials that can help you, including a two-part video series, "The AIDS Issue," and a pamphlet entitled "Basic Facts about AIDS for Foodservice Employees."

Operators have also worried about how employees who come down with AIDS will affect their benefit programs. Treatment is costly. As time goes by, however, more low-cost methods of treatment will be developed. For example, many AIDS patients are now being treated at home rather than in the hospital, resulting in tremendous savings in health-care costs.

Customer concerns

But AIDS is more than a labor issue—especially for service industries. In addition to food, the foodservice industry sells smiles and peace of mind—two things that don't go together with worries about AIDS. Whether justified or not, customers' concerns about catching the disease in a foodservice setting still remain. A recent Louis Harris poll confirms this fact. When asked what they would do if they learned that a waiter at a favorite restaurant had tested positive for the

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How the Industry Can Cope

AIDS virus, more than half of those polled indicated that they would no longer patronize the restaurant. Even more would stay away if they learned that a cook had tested positive for the AIDS virus. Many of those polled would stay away in spite of their knowledge of how the disease is spread. This presents a major problem to an operator, whose livelihood could be jeopardized by an AIDS-related situation or even a rumor.

In many cases, courts have treated AIDS victims as handicapped individuals for purposes of employment discrimination.

Managing a crisis

To avert a potential public relations crisis brought on by an AIDS-related situation, restaurant operators should institute a crisis-management program, along the lines outlined in the November 1987 issue of ***Restaurants USA.***

Four steps are crucial to a proper crisis program for the restaurant:

1. Assemble a crisis team. This team should be formulated to handle any crisis situation—from fire to AIDS. A crisis team should be assembled long before a crisis ever strikes. Team members could include a high-level executive officer or owner, a team leader responsible for keeping the team updated during a crisis, a carefully chosen spokesperson to make all public statements, a legal representative from outside the company who can determine the legal implications of the crisis, a health-care expert from outside who can advise the team, and an employee representative to act as liaison between management and employees.

2. Ask the crisis team to develop an AIDS policy statement. A policy statement spells out the company's position both for employees and for the public. Although each operation is different, of course, key points of such a statement could include the following ideas:

☐ Employees with life-threatening diseases are treated with dignity and respect, and they may continue to work as long as medical evidence concludes that performing their work does not pose a health or safety risk to themselves or anyone else.

☐ Employees with life-threatening diseases are eligible for the continuation of applicable medical benefits.

☐ Employees are assured of complete confidentiality when seeking counseling or medical referral assistance.

3. Educate your employees. Education about the facts of AIDS is the most powerful weapon against AIDS at this time. Once employees understand the facts, their fears about contracting the disease in the workplace should be allayed.

4. Develop an AIDS communications strategy. Public perception of an AIDS situation will be shaped by what is reported in the media. This heightens the importance of choosing an experienced, informed spokesperson to serve as the sole liaison between your operation and the news media in the event of a crisis. Your crisis team should meet as soon as possible after a crisis has occurred to construct a consistent, credible version of what happened. The team should spell out in detail how management is dealing with the situation. Once management has agreed on a position, the official version should not be changed unless new information surfaces.

Only the company spokesperson should speak to the news media, to avoid conflicting reports or confusion. All statements should be truthful and made from the public's point of view. Press materials should back up what the spokesperson says and no question should be answered "off the record" or "no comment."

As a public gesture to regain trust in your establishment, invite local health officials or the mayor to eat a meal at your establishment. Be sure all the media involved in the original situation are invited to attend.

Do it clean

One good way to help keep customer concerns about disease low is to run an exceptionally clean operation, from the kitchen to the bathroom. Of course, a clean restaurant has always been a good idea, but it can be a real selling point at a time when customers are concerned about disease. For similar reasons, some caterers have begun wearing white gloves again so that food handlers aren't touching food. Although the measure is purely cosmetic, it may help put customers at ease. ❑

WHOLESALE WAREHOUSES OFFER NO-FRILLS SHOPPING

Max Karl Winkler

by John Geisse

Larry Nicholson did not know what to expect on his first visit to a wholesale warehouse, but what he discovered is an entirely new way to shop for restaurant supplies.

Nicholson, co-owner of Delaney's Chase and Sunset Inns in Mentor, Ohio, is among the growing number of restaurateurs who are discovering substantial savings and product offerings available through self-service, cash-and-carry wholesale warehouses.

These no-frills, members-only outlets, stocking everything from canned carrots and condiments to cleaning utensils and appliances, are quickly carving a niche in the restaurant supply business. The warehouses' big selling point is price, with some items going for less than one-half their retail price. And that's for brand-name goods, not generic labels or imitations.

Examples? During a recent visit to one warehouse, a 46-ounce can of Juice Bowl grapefruit juice sold for $1.05; a 10-quart container of Durkee Mel-Fry sold for $11.55; 15 rolls of Hi Dri paper towels sold for $7.25; a #10 can of Heinz ketchup sold for $2.69; and electronic blackboards were priced at $99.99 each.

Two hundred outlets nationwide

Prices like these have helped so-called wholesale clubs attract restaurateurs and other business customers nationwide and have made the clubs a fast-growing segment in the wholesale/retail industry. There are more than 200 outlets in the United States, with $14 billion in annual sales projected for 1988.

Such geographical reach would seem to indicate widespread acceptance. The Wholesale Club, an Indianapolis-based company, for example, operates 18 clubs in Indiana, Ohio, Wisconsin and Minnesota. Restaurants and other foodservice operators are among its biggest and most frequent customers.

The biggest hurdle to customer acceptance is overcoming skepticism. Some people don't believe that the clubs can have such low prices—until they visit the warehouse and see for themselves.

A no-frills approach is what enables clubs to keep prices low. Such luxuries as fancy displays and air conditioning are nowhere to be found in a warehouse budget.

The warehouses, usually 100,000 feet square, are plain and unfinished. Merchandise remains in its original cartons and is stacked on pallets or metal shelves separated by wide aisles. There is a broad variety of merchandise, but specific brands and sizes (usually institutional or multiple packs) are limited to the most popular items.

It's strictly a serve-yourself, cash-and-carry operation. No credit cards are accepted, and there is no one to load goods into cars or vans. This bare-bones operational style permits clubs to hold markups to an average of 10 percent over wholesale cost, and lower still for food. For comparison, markups in discount stores range between 27 and 32 percent, and most traditional suppliers operate on margins ranging between 12 and 35 percent.

There are no minimum or maximum restrictions on purchases, making it easy to buy in quantity and to take advantage of a good deal or to tread cautiously and "test" a product by buying in small amounts initially. Moreover, wholesale clubs can be a reliable secondary source of supply when goods are not immediately available elsewhere.

Shoppers also express pleasure in their ability to examine the quality of products before buying, which is not always possible with door-to-door delivery.

Moreover, the variety of merchandise allows customers to combine business and personal shopping into time-saving, one-stop trips. More than 4,000 items are consistently stocked, including brand-name electronics, housewares, hardware, automotive supplies, sporting goods, furniture, stationery, books, pet supplies, photo equipment, home soft goods, apparel, household supplies, health and beauty aids, and even plants and brass cuspidors. ❑

John Geisse is chief executive officer of The Wholesale Club.

WINERIES Market With Food

by Deborah C. Goldstein

BERINGER
VINEYARDS
EAST/WEST
CULINARY
SUMMIT

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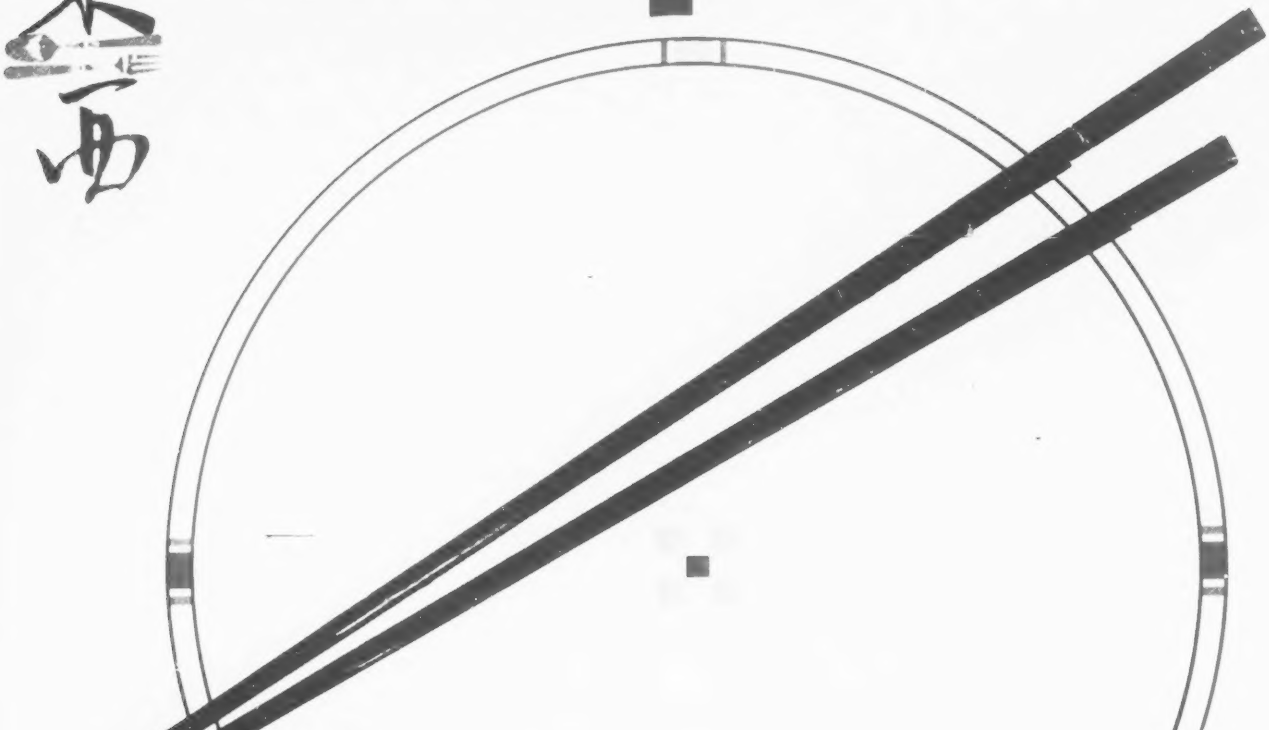


A highly competitive market and changes in the social climate in the United States and abroad toward more responsible use of alcohol have come together so that wineries are using food to promote their products, rather than the other way around.

In a sense, vintners have gone into the food business. In some cases, a three-star restaurant or a gourmet deli has been incorporated into a wine-tasting facility. Many wineries employ full-time executive chefs for day-to-day hospitality functions, and regularly hire nationally known guest chefs for special events. Still others are sponsoring trade tastings and events where wine seems to almost take a backseat to the food. In Northern California, for example, wineries are going to great lengths to educate young chefs about the uses of wine and foods by sponsoring contests, seminars and tastings, and by donating their products for winemaker dinners.

☐ **Contests—for students.** At the National Restaurant Association's Monterey Wine Festival this past spring, promotion of wine in restaurants was a major topic. Part of the program included luncheons and dinners where wines were specifically paired with Monterey-Central Coast produce and meats.

In keeping with this wine-and-food theme, festival participant Rutherford Hill Winery (Napa), held a reception called "ChardonnEssence." It showcased winning recipes by student chefs from the California Culinary Academy (CCA) in San Francisco, who had created original recipes to pair with the winery's 1985 Jaeger Vineyards Chardonnay and 1986 Rutherford Knoll Chardonnay—quite different styles of wine.

The wines were donated to the academy for the contest, and the students were encouraged to taste them and work with them.

Deborah Goldstein is a freelance writer in Sacramento, California. She frequently writes about wine.

From the winery's point of view, it was an opportunity to be part of the educational process of training young chefs on food and wine pairing and, of course, to establish some brand recognition along the way.

☐ **Contests—for professionals.** Professionals also are invited to test their skills in contests sponsored by wineries. For example, Quady Winery (Madeira, California) held a contest for professional chefs to find winning pairings that were "synergistic" with Elysium—its proprietary sweet black Muscat dessert wine. Quady is a prize-winning producer of dessert wines. Although dessert wine sales have declined from 19.6 percent in 1977 to 9.98 percent in 1987, according to figures released by the Wine Institute, the public's taste for premium dessert wines (in the $10 range) have substantially increased during 1988.

The contest thus allowed chefs to work with the wine in their own kitchens and to come up with recipes that would heighten the pleasures of both eating and drinking. From a marketing perspective, the contest was meant to heighten awareness of dessert wines in general, and Quady in particular, and to develop recipes that would make it easier for a waiter "to suggest a dessert and an interesting little wine to go with it," says owner/winemaker Andy Quady.

The winning recipe came from chef Robert Jorin, professor of food chemistry at the California Culinary Academy and a recognized pastry chef. It was a blueberry/pear tart in a walnut/black-pepper crust with Roquefort custard.

☐ **Food symposia.** *East/West Culinary Summit.* The promotion of food by wineries took a major step this year at Beringer Vineyards East/West Culinary Summit, held at the Silverado Country Club in Napa. The conference was set up "to address the growing trend towards a meeting of Asian and Western cuisines," and it included panel discussions, culinary demonstrations and "extraordinary meals."

The emphasis was on food, with almost not enough said about wine. Many of the participants were chefs and restaurateurs already successfully combining Asian and Western foods and cooking techniques.

On the last day, participants had a chance to debate wine and food pairing with a panel of wine critics and chefs. Discussion was spirited.

American Harvest Workshop. At Cakebread Cellars, the popular American Harvest Workshop (created in 1987) met again during harvest and crush. The brainchild of Cakebread Cellars Owner Jack Cakebread and Bill Shoaf, now owner of Duckworth in St. Helena, California, the workshop is an intimate gathering of the nation's leading chefs, writers, vintners and food producers—affectionately known as "Camp Cakebread." The objective of this by-invitation-only event is to "heighten the understanding of the importance of the nutritional and aesthetic qualities of cottage farm products and American viticulture and cuisine."

The three-day program began with a meal at Duckworth Restaurant. The next day, the chefs and wine and food media—some very fine cooks in their own right—travelled the hills, canyons and highways of Sonoma and Napa counties, stopping at what often appeared to be only a house in a residential neighborhood, with a small building attached.

In one case, it turned out to be a goat-cheese factory, in another, a mushroom grower, and a third was a specialty grower, creating everything from beets to edible flowers.

At each of the stops, the foods were tasted without wine, and items were selected for the evening meals. That evening and the following evening, about 25 people crammed into Dolores Cakebread's kitchen and began cooking together. Recipes were created on the spot.

The next day, the wine-making process was discussed in detail, but not before Jack Cakebread had handed everyone a cutting knife and a plastic tub and sent them out into the vineyards to help harvest grapes.

The whole workshop was an educational process. It culminated in a dinner at the California Culinary Academy in San Francisco, where modified versions of the recipes were prepared for a capacity crowd by the workshop chefs and CCA student chefs. A panel discussion followed.

School for American chefs. Beringer Vineyards has established a School for American Chefs, under the direction of internationally recognized educator and classical French chef Madeleine Kamman. The school, which is scheduled to open in May 1989 in Napa Valley, will be for established chefs who come on scholarship for an intensive two-week period of instruction. The curriculum will be tailored to the individual needs of the attendees.

Working with student chefs at the Culinary Academy was part of the American Harvest Workshop. Amy Ferguson, executive chef at Rosewood Hana Maui, instructs a student chef at left as George Morrone, executive chef at Hotel Bel Air, gets in the middle.

Newsletters. As in the restaurant industry itself, newsletters have become an effective means of educating the public and building brand loyalty. Most newsletters are mailed free for the asking—in fact, people are encouraged to sign up for them. It is not only a good marketing tool for the winery, but also an excellent way for the restaurateurs and their waitstaffs to gain some insight into the wineries and their products.

Some of the newsletters are quite folksy—like the family Christmas letters people send out once a year. Others are sophisticated and contain technical information, tasting notes and award lists. As with other aspects of the wine industry, the tie-ins with food are well developed—whether it is serving suggestions, food pairings and recipes or announcements of wine and food seminars and contests.

Goat cheese—chevre—was the topic of conversation as writers and chefs converge on a table of cheeses ranging from soft, fresh to hard, aged—at Laura Chenel's Chevre in Santa Rosa.

After hand-harvesting grapes for Cakebread Sauvignon Blanc (as part of the workshop experience) participants and winery people check out the contents of the winepress.

M E N U

Lunch inside the winery

Sonoma Tapas
de Lorimier "Spectrum": Sauvignon Blanc
and Semillon Blend

Shrimp Ravioli with Sweet Red Pepper Sauce
de Lorimier "Prism": Chardonnay

Lamb Stuffed with Sonoma Wild Mushrooms,
Herbs and Green Onions
de Lorimier "Mosaic": Cabernet Sauvignon, Merlot,
Cabernet Franc Blend

Fig and Pear Salad with Gorgonzola

Fresh Raspberries and Biscotti
de Lorimier "Lace": Late Harvest Sauvignon Blanc

Chefs: Michael Farmer, Carol Shanks and
Sally de Lorimier, de Lorimier Winery, Geyserville

☐ **Clubs and restaurants.** Several of the wineries, such as Domaine Chandon in Yountville (Napa), have clubs. Members receive a special card that lists a private phone number for the winery. The number is usually used to make special reservations at the winery's elegant, three-star restaurant. Events are also arranged for members outside the area, such as a recent reception for members in the New York club.

Other wineries have found that it is a significant advantage to own and operate a first-class restaurant on the winery's premises, where wine and food can be combined to best advantage. Often these restaurants take advantage of popular food trends. At Wente Bros. Sparkling Wine restaurant in Livermore, California, a new menu has been added based upon the book *The Mediterranean Diet: Wine, Pasta, Olive Oil and A Long Healthy Life.* Last spring the culinary staff began creating special menus for luncheon patrons. The menus change weekly, and each special menu includes a wine recommendation.

Some winery restaurants, such as Chateau Souverain in Geyserville (Sonoma), offer wines from other area wineries as well as their own. "The reason for this," explains Michael Florian, director of public relations, "is that we are trying to promote Sonoma County. With a diversity of agricultural products and such a great variety of wine appellations of different regional characteristics, we feel we should represent them on a wine list. This allows the visitor to come away with a sense of dimension."

☐ **Private hospitality events.** Not all wine-related food experiences are totally public. Many are by invitation only, with wineries hosting special luncheons, dinners and tours for restaurateurs and their staffs, distributors and retailers. The business-hospitality aspects of promoting wine are extremely competitive, and wineries have gone to great lengths to secure the services of top chefs.

Jordan Winery's Chef de Cuisine Franco Dunn finds it a great challenge to cook for the formal hospitality functions at the chateau-style winery at Sonoma, for dinners for the Jordan family and—during crush—for all the field hands and winery personnel, who often are working 18 hours at a time. The winery markets only two varietals—a Chardonnay and a Cabernet Sauvignon (though a sparkling wine is in the works). The challenge, according to Dunn, is to constantly come up with interesting dishes based on very complex wines.

Sterling Vineyards' Culinary Director Elaine Bell is another example of the challenges and opportunities a chef can have working for a winery, and the financial commitment the winery has to food as a means of promoting wine. Sterling (which is owned by Seagrams) recently acquired the famous Winery Lake Vineyards in Napa. To promote the winery's first release of the estate-bottled Chardonnay and Pinot Noir from vineyards (that have been supplying other producers since 1964), a series of events was put together that combined food, wine and art.

First, artist Veronica di Rosa was commissioned to paint a series of watercolors depicting Sterling Vineyards. A traveling show was put together that included the 24 paintings, a half-dozen 600-pound enamelled metal cows (another signature piece of di Rosa's) and a four-course gourmet dinner. The first stop was the Whitney Museum in New York.

According to Chef Bell, ingredients for the dinner, which included filet of trout with shiitake mushroom salad, roast loin of lamb with saffron, julienne of butter lettuce and chocolate pate—were hand-picked on the West Coast. They were then air-freighted to New York.

The art, the wine and the chef then travelled back to California, where Bell prepared the same menu, but this time served it in a clearing in Winery Lake Vineyards, adjacent to a former cow pasture. Bell and her crew set up a camp kitchen—two tents, stoves and hot boxes—to prepare the four-course formal dinner.

The final stop of the series was the exclusive St. James's Club in Los Angeles, where Executive Chef Gary Clausen opened his kitchen to Bell, and the two of them created a more complex version of the same dinner.

"The main goal for me is promoting food and wine pairing," says Bell. "I used my foods to highlight and enhance the wines I am promoting and to educate the public." ❑

BREWPUB BONANZA

by Jack Erickson

"Brewpub restaurants brewing their own beer will be the hottest franchising trend in the 1990s," said franchising consultant Gary Kisel at Chicago's Drake Hotel during the September convention of microbrewers.

"Within 10 years there will be 100 regional chains with 10 to 12 brewpubs apiece," Kisel forecasted. "There also will be two or three national brewpub chains with at least 60 units apiece."

Kisel, however, was not the only person at the microbrewers' convention making such lavish predictions.

Laurel Hanson, former general manager of Chicago's first brewpub, Siebens River North, is just as optimistic. "Once a restaurant discovers the costs of making beer—24 percent—they'll want to put in a little brewpub to increase their profits. Food costs are much higher than that."

That's what brewpubs are—a separate profit center for a restaurant. The costs of production (hops, yeast, barley, equipment, salaries) are modest (pennies per glass), and the return ($1.50 to $3.00 for a 12-ounce draft) is high. With ingenuity, profits can be squeezed from a brewpub in a way they can't be from a restaurant.

With such delightful names as the Tap and Growler (Chicago), Weeping Radish (Manteo, North Carolina), Devil Mountain (Walnut Creek, California) and Buffalo Bill's (Hayward, California), brewpubs have returned the charm and romance to brewing that had all but disappeared in America. They've also rekindled a thirst for specialty beers—amber lagers, ales, porters, stouts, bock, wheat and seasonal holiday beers for Oktoberfest and Christmas.

Along with the smell of fresh bread baking, the aroma of beer brewing is one of life's olfactory pleasures. The warm, moist aroma of steaming hops and barley is enough to arouse even a nonbeer-drinker's thirst.

In the 11 years since the first microbrewery appeared in a Sonoma, California, warehouse, the movement has grown to 150 microbreweries and brewpubs in North America.

The brewpub movement is booming on the West Coast; in six years more than 40 brewpubs have opened from San Diego to Vancouver, with 13 of them in the San Francisco Bay area alone.

You can't keep a good idea like this quiet for long—enterprising restaurateurs have opened brewpubs in New York, North Carolina, Wisconsin, Pennsylvania and Virginia.

Three brewpubs have started up in Chicago alone, and a fourth opened during the week of the microbrewers' conference. Chicago is not the only city scrambling in the barley bonanza. New brewpubs are planned to open soon in Seattle, Omaha, Atlanta, Denver, Minneapolis, Phoenix, San Jose and Des Moines, as well as Missoula, Montana; Charlotte, North Carolina; Athens, Georgia; and Deer Park, Florida.

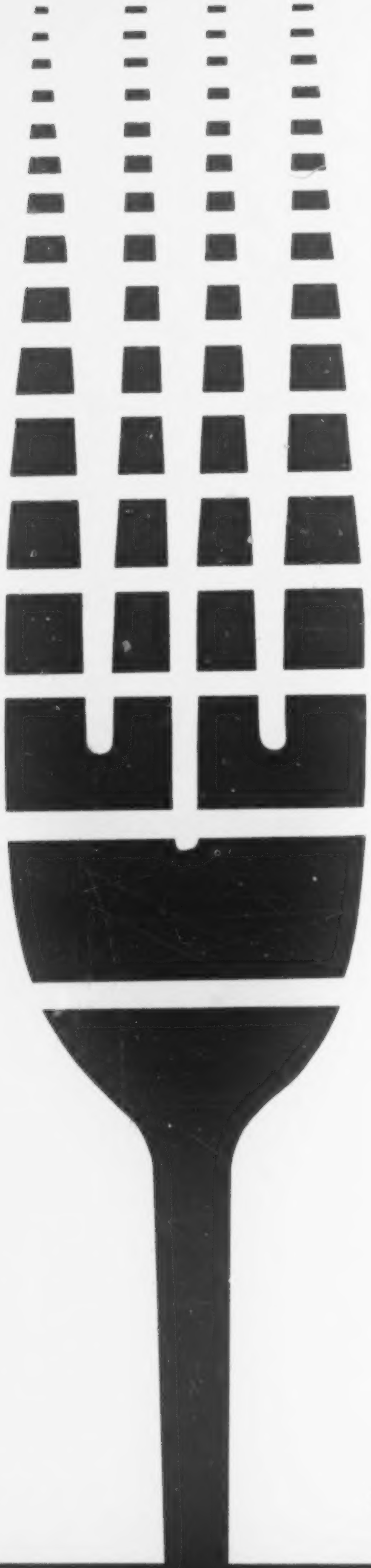
A nationwide brewpub bonanza is coming. Owners of small microbreweries are hustling to cash in before large corporations put a brewpub in every shopping mall and prime downtown location around the country.

The Japanese, too, seem to be eyeing the microbrewing phenomenon with more than idle interest. They're already importing 200 cases a month from the tiny Juneau, Alaska, microbrewery whose Chinook Amber beer was named "Best Beer in America" at the 1988 Great American Beer Festival. And a representative from the giant Suntory brewery admitted at the microbrewers' conference that his company was building a pilot microbrewing plant in Musashino, Japan, and would begin brewing in January 1989. If the Japanese can design and manufacture high-quality small cars and sell them all over the world, why not small breweries? ❑

Jack Erickson is the author of Star Spangled Beer: A Guide to America's New Microbreweries and Brewpubs *and* Great Cooking with Beer, *published by RedBrick Press, P.O. Box 2184, Reston, VA, 22090*

1989 NATIONAL RESTAURANT ASSOCIATION FOODSERVICE INDUSTRY FORECAST

The information in this report was prepared in consultation with the research firm Malcolm M. Knapp, Inc.



FORECAST HIGHLIGHTS

The industry is heading for its ninth consecutive year of real growth.

☐ **Foodservice industry sales** are projected to reach $227.3 billion in 1989—up 6.7 percent over 1988.

☐ **Real sales,** adjusted for inflation, should rise 2.2 percent—slightly lower than the 2.6 percent real gain in 1988.

☐ The **Commercial Foodservice Group** is expected to record sales of $202.0 billion in 1989—an increase of 7.0 percent over 1988. In inflation-adjusted dollars, this represents a 2.4 percent increase.

☐ Real sales for the **Institutional Foodservice Group** are expected to edge down a slight 0.1 percent in 1989.

☐ Accounting for nearly 65 percent of total industry sales, **eating place sales** are forecast to reach $147.1 billion, a 2.4 percent real increase over 1988.

☐ **Fast food restaurants** should outpace the industry average for real growth, posting a 3.6 percent increase over 1988. Total limited menu restaurant sales are projected to advance to $65.1 billion.

☐ For the fifth straight year, **transportation foodservice sales** are forecast to record impressive real growth—up 6.0 percent.

☐ **Retail host restaurants** are predicted to post a healthy real sales increase of 4.9 percent.

☐ **Menu prices** should climb 4.6 percent in 1989, up from the 4.1 percent increase in 1988.

OVERVIEW: THE INDUSTRY IN 1989

The foodservice industry is preparing for its ninth straight year of real sales growth. Industry sales in 1989 are expected to total $227.3 billion—6.7 percent above the $213.0 billion recorded in 1988. After adjusting for inflation, real sales should advance 2.2 percent, slightly below the expected 2.5 percent advance in the Gross National Product (GNP).

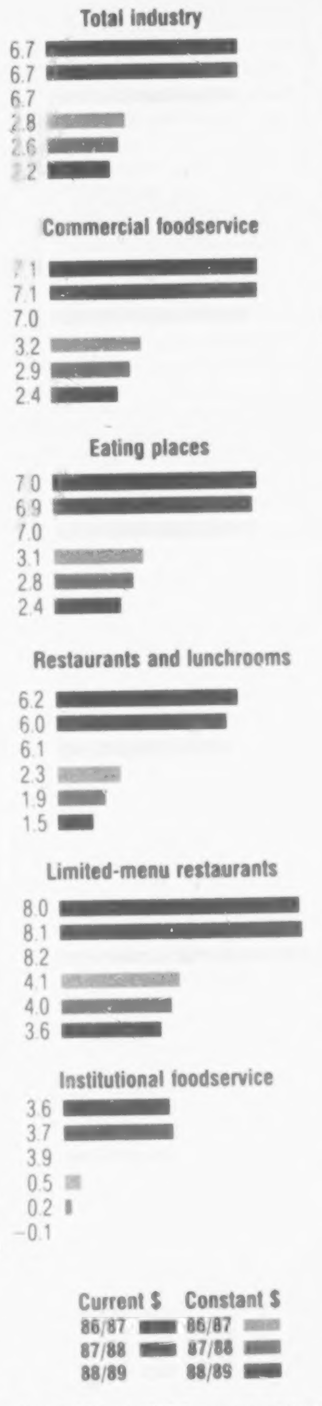
Although the 6.7 percent growth figure for 1989 is not as impressive as increases achieved in earlier years, it still represents a $14.3 billion gain in absolute terms. And the sheer size of this absolute dollar increase for foodservice sales presents opportunities for both operators and their suppliers.

Food and drink sales in the Commercial Foodservice Group are forecast to advance 7.0 percent to $202.0 billion. After adjusting for inflation, real sales are expected to advance 2.4 percent, down from the 2.9 percent real growth experienced in 1988.

Within the Commercial Foodservice Group, eating place sales will reach $147.1 billion in 1989, accounting for almost two-thirds of total industry sales. Eating place sales should increase 7.0 percent in 1989 or 2.4 percent in real terms—the lowest real growth rate posted by this major segment since 1982. In comparison, 1988 eating place sales advanced 6.9 percent or 2.8 percent in inflation-adjusted dollars.

Percent change in foodservice sales

Industry real growth in 1989 will be 2.2 percent



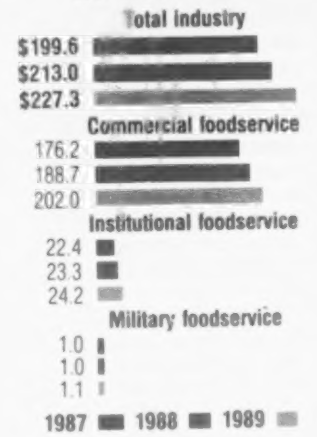
Note: *1988 and 1989 figures are projected*
Source: National Restaurant Association

The Institutional Foodservice Group is forecast to post sales of $24.2 billion in 1989—up 3.9 percent over $23.3 billion in 1988. After adjusting for inflation, this represents a 0.1 percent decrease in sales, reflecting greater contractor penetration of these markets.

Sales in the Military Foodservice Group are expected to advance 6.2 percent in 1989, rising to $1.1 billion. This increase is somewhat larger than the 5.6 percent gain for 1988. After adjusting for inflation, real sales are forecast to advance 1.6 percent in 1989, similar to the 1.5 percent real growth experienced in 1988.

Foodservice industry sales
(billions of dollars)

Total industry sales will exceed $227 billion in 1989



Note: *1988 and 1989 figures are projected*
Source: National Restaurant Association

In sum, the 1989 forecast is for continued but moderate growth, driven by population gains and increased demand from consumers who once viewed food prepared away from home as a luxury but increasingly see it as a necessity. The result is that consumers are spending a larger share of their food dollar away from home.

THE ECONOMY

Because business conditions within the foodservice industry generally mirror economic conditions, it is critical to understand how the economy performed in 1988 and to examine its projected performance for 1989.

1988 highlights

In 1988 the nation's economy continued to expand, exceeding the rate of growth posted in 1987. After adjusting for inflation, the Gross National Product (GNP) advanced a solid 4.0 percent in 1988, compared to the lower 3.4 percent real growth experienced in 1987. This current period of uninterrupted U.S. economic growth, which started in late 1982, is the longest peacetime expansion since World War II.

1988's growth rate was particularly impressive in light of the negative consequences anticipated by many after the October 1987 stock market crash. Not only did recession prospects dim as 1988 progressed, but consumer spending also continued to grow. Total consumer spending advanced 2.4 percent in real terms in 1988, with real durable spending up 5.5 percent. Nondurable purchases declined 0.4 percent after adjusting for inflation.

Real disposable income posted a solid gain of 3.4 percent, allowing consumers to save more of their income. In 1988, the personal savings rate rose to 4.4 percent of personal disposable income, compared to a lower 3.2 percent rate in 1987. However, consumer installment debt reached record levels in 1988, exceeding $650 billion.

Overall, consumer confidence remained strong in 1988 as consumers continued to feel relatively secure. The Conference Board's Consumer Confidence Index, which measures consumer sentiment about the future of the nation's economy, stood at essentially the same level in September 1988 as it did at the beginning of the year, and remained substantially above the level that generally signals recession.

The inflation rate edged up in 1988. The Consumer Price Index (CPI) advanced 4.1 percent in 1988, compared to a lower 3.7 percent increase for 1987. Nonetheless, the nation's employment prospects remained optimistic.

The annual civilian unemployment rate declined to 5.5 percent in 1988—the lowest annual rate in this decade. In addition, the number of employed civilians continued to grow, reaching a record number of 115 million individuals. This larger work force, combined with increased consumer spending, helped to fuel the U.S. economic growth in 1988.

1988 was also the year of the drought. Much of the nation's farm belt was ravaged by a lack of rain, injuring the country's harvest of wheat, corn, other grains and soybeans, but food prices were not affected substantially. The drought's main effect on food prices is expected to be felt in 1989.

Economic growth will continue in 1989

The *Blue Chip Economic Indicators* (October 1988), a consensus forecast of projections for key economic variables by more than 50 top economists, predicts that economic growth in 1989 will continue, but at a more modest pace. Real GNP gains of 2.5 percent are expected in 1989, compared to the higher 4.0 percent increase recorded in 1988. Despite the slowdown, this is still positive news, because an expanding economy correlates with growth in the restaurant industry.

The rate of increase in disposable personal income is also an indicator of foodservice performance. In general, changes in disposable income are closely linked to changes in restaurant sales. Real disposable personal income is expected to increase 2.2 percent in 1989—down from the 3.4 percent advance in 1988.

The top five U.S. destinations favored by overseas visitors in 1987

Rank	Destination
1	California
2	New York
3	Florida
4	Hawaii
5	Washington, DC

Source: U.S. Travel and Tourism Administration

The employment profile: 1985–1989

Civilian employment is continuing to grow

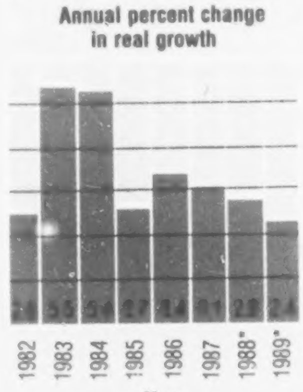
Year	Civilian employment (000)	Civilian unemployment rate
1985	107,150	7.2%
1986	109,957	7.0
1987	112,440	6.2
1988*	115,000	5.5
1989*	116,600	5.5

*projected

Sources: Bureau of Labor Statistics; *Blue Chip Economic Indicators*

Annual percent change in eating-place sales: 1982-1989 (constant dollars)

In 1989 eating places should post the lowest level of real sales growth by this segment since 1982



*projected

Source: National Restaurant Association

As a result of this smaller advance, consumer spending in 1989 is expected to grow a more modest 2.0 percent in real terms. Real durable-goods purchases should increase 3.3 percent, while nondurable-goods consumption should experience real growth of 0.3 percent.

Inflation, as measured by the CPI, should also be up in 1989, reaching 4.9 percent. Increased labor costs are expected to fuel the increase, as demand for workers is likely to remain intense. Increases in industrial production will moderate in 1989 to 3.1 percent—down from the 5.5 percent gain in 1988.

Housing starts are expected to decline slightly to 1.4 million units, and car sales (both domestic and imports) should fall from 10.6 million units in 1988 to 10.1 million units in 1989. Higher interest rates are forecast for 1989, with the annual average prime rate for the year estimated to be 10.0 percent.

Travel and tourism

The weaker U.S. dollar overseas has encouraged and will continue to encourage foreigners to visit the United States. Moreover, a weaker dollar makes foreign travel by U.S. citizens more expensive, which encourages them to spend more holidays within the nation's borders.

Consequently, the outlook for travel and tourism in 1989 is good. According to the U.S. Travel and Tourism Administration, the number of foreign visitors to the United States will exceed 31 million—up 4 percent over 1988, with exceptional growth expected for Asian visitors, including those from Japan. Receipts from foreign-visitor spending are expected to advance to $31.4 billion in 1989.

A snapshot of the economy in 1989

☐ **Continued but moderate growth:** Real GNP up 2.5 percent

☐ **Inflation rate edging upward:** CPI advancing 4.9 percent

☐ **Positive but smaller advances in disposable income:** Real disposable personal income will increase 2.2 percent

☐ **Low unemployment to continue:** Civilian annual unemployment rate at 5.5 percent

☐ **Higher interest rates:** Annual average prime rate at 10.0 percent

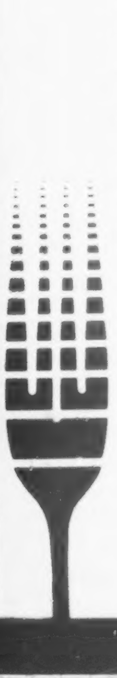
Source: *Blue Chip Economic Indicators*

LEGISLATIVE AND REGULATORY ISSUES

A number of legislative and regulatory issues that could have a direct effect on foodservice will be before Congress in 1989. Many of these issues will be carried over from 1988—a year in which intense grassroots lobbying efforts by the foodservice industry and other business groups prevented a number of restrictive legislative and regulatory measures from being enacted.

Government action on labor issues in 1989 will present the greatest concern to the foodservice industry. Proposals on the regulatory and legislative slate for 1989 include minimum wage and tip credit, mandated health benefits, mandated parental leave, food and beverage labeling, extension of the Targeted Jobs Tax Credit (TJTC), sanitation and waste-disposal issues, business meal deductions, and regulatory and enforcement issues at the Internal Revenue Service, Department of Labor and Department of Justice.

Much of 1989's regulatory and legislative agenda will hinge on the findings and recommendations of the National Economic Commission, a bipartisan panel created by Congress to come up with workable solutions for reducing the federal budget deficit. Depending on the results of the commission's report and the willingness of the new administration to implement its suggested courses of action, the increase in federal spending could decline in 1989 and tax revenues could rise. The report is scheduled for release in early 1989.



Among the hotly contested proposals that failed to pass in the 100th Congress were proposals backed by organized labor to raise the minimum wage, to mandate up to 10 weeks of parental leave every two years for workers, and to mandate employer-paid health benefits for all full-time employees. A key bill dealing with occupational-risk notification also failed to make it through the 100th Congress. Successful lobbying by business forces convinced legislators that the proposed expansion of the federal role in protecting workers was not justified.

The foodservice industry achieved noteworthy accomplishments in stopping harmful legislation from becoming law in 1988.

The foodservice industry achieved noteworthy accomplishments in stopping other harmful legislation from becoming law in 1988. Part of the welfare reform proposal contained a provision that would have eliminated the deductibility of business-meal expenses for high-income individuals and unincorporated businesses. The amendment was later dropped from the bill; however, many lawmakers remain convinced that eliminating business-meal deductions is a politically acceptable means of raising revenues. There could well be further action on this subject next year.

In 1988 Congress instituted legislation requiring mandatory health warnings on all alcoholic-beverage containers. The labels must warn of the dangers of drinking and driving and caution pregnant women about the effects of alcohol consumption. Foodservice lobbyists effectively fought to keep that labeling off carafes, pilsners or similar retail containers.

Massachusetts became the first state to require universal health insurance for almost all employees. Other states may act on similar measures in 1989.

Late in the 100th session of Congress, the House and Senate passed the Tax Technical Corrections Act, which gave a one-year extension to the TJTC—a tax credit to organizations that employ disadvantaged youths, the mentally retarded and the handicapped. The one-year extension also tightened eligibility requirements for those allowed to receive the TJTC tax credit. This measure will receive continued attention in 1989, as advocates work for its extension through 1990.

The industry did suffer one major setback in the government arena in the 100th Congress. End-of-the-year reconciliation legislation in 1987 contained a provision to require restaurant operators to pay FICA on *all* reported tips starting in 1988, rather than just on those tips used to satisfy minimum-wage requirements, which is what the prior law required. However, by the end of the 100th Congress, 64 cosponsors had signed on to a bill that would effectively repeal the FICA tax on *all* reported tips. The National Restaurant Association will be pushing for the passage of this bill in 1989.

Environmental issues received substantial attention on both state and local levels in 1988, and should continue to do so in 1989. 1988 saw increased state and local regulation of waste disposal, packaging, smoking, and use of chlorofluorocarbons (CFCs) and plastics. Parental-leave and mandatory-health benefits also were important matters, as Massachusetts became the first state to require universal health insurance for almost all employees. Other states may act on similiar measures in 1989.

Food-related regulations

The Food and Drug Administration (FDA) issued regulations in 1988 that will affect the industry through 1989. The agency's opinion on the sous-vide cooking process undoubtedly halted many plans to implement this vacuum-sealed method of food preparation. FDA officials described the process as "fraught with danger" because of its potential to harbor harmful bacteria if the strictly controlled system is not properly followed. Although operators can use vacuum-packaged foods that have been prepared in a USDA-inspected manufacturing facility, FDA believes that food, which is vacuum packed, cooked and chilled in foodservice establishments, constitutes an un-

The National Restaurant Association's n-going consumer research reveals

Italian, Chinese and Mexican foods rank first, second and third as popular ethnic foods in restaurants.

Over 50 percent of all consumers visit a restaurant on their birthday—the most popular restaurant holiday. Mother's Day and Valentine's Day are second and third.

Hamburgers and cheeseburgers are the most popular sandwich items.

Newspapers are the most common advertising media used by restaurants.

Six out of ten consumers are very interested in nutritional menu items at tableservice restaurants.

Soft drinks are the most popular restaurant beverages. Coffee is second and tea is third.

The favorite takeout foods are hamburgers, french fries, chicken and pizza.

Between 1982 and 1987, restaurant takeout traffic grew 28 percent compared to 5 percent for on-premises traffic.

1988 - 1989 Foodservice Industry

1989 Sales	**$227.3 billion**
Units	**626,000**
Employees	**8 million**
Foodservice Share of the Food Dollar	**41 percent**

National Restaurant Association Pocket Factbook

1988-89 Officers

Jim L. Peterson
Chairman of the Board and President
Harris H. Rusitzky
Vice President
Michael E. Hurst
Treasurer

Foodservice—First in number of units

Commercial Foodservice	454,000 units
Institutional Foodservice	171,000 units
Military Foodservice	1,000 units

Foodservice sales have risen dramatically since 1970

Year	Sales (billion $)
1970	$ 42.8
1975	70.3
1980	119.6
1985	178.4
1989	227.3

Foodservice Sales Projection, 1989: $227.3 billion

	Sales 1989 (billion $)
Commercial Foodservice	
Eating Places	$147.1
Drinking Places	10.3
Foodservice Contractors	12.8
Hotel/Motel Restaurants	13.9
Retail, Vending, Recreation	17.9
	$202.0
Institutional Foodservice	
Businesses, schools, hospitals, nursing homes and others which operate their own foodservice	$ 24.2
Military Foodservice	
Base exchange, officers' and NCO club foodservice	$ 1.1
Projected 1989 Sales Total	$227.3

Foodservice—An integral part of our nation's economy

- Foodservice will achieve a real gain in sales of 2.2 percent in 1989.
- Foodservice industry sales equal nearly 5 percent of the U.S. Gross National Product.
- Foodservice sales are forecast to advance at a 6.7 percent compound annual rate between 1986 and 1989.
- The proportion of the food dollar spent away from home in 1986 was 41.1 percent, up from 25.0 percent in 1950.
- Food and beverage purchases will total $85.3 billion in 1989.

For further information, contact:

National Restaurant Association
1200 Seventeenth St., N.W.,
Washington, DC 20036
202/331-5900 or 800/424-5156

Foodservice—The number one retail employer

- Over 8 million persons are employed in the foodservice industry.
- Almost two-thirds of those in foodservice occupations are women.
- The foodservice industry is expected to employ 11.4 million workers by the year 2000.
- The demand for cooks and waitstaff will continue throughout the end of the century as employment in each occupation is forecast to increase by 46 percent by the year 2000.
- Eating and drinking establishments are continuing to employ more minorities. In 1987, almost 13 percent of those in foodservice occupations were Black and over 9 percent were of Hispanic origin.
- Total annual wages and benefits equal $24 billion for restaurants and lunch rooms, and $16 billion for fast food establishments.

Chains & franchises grow in importance

- Sales at franchise restaurants reached $52.3 billion in 1986, an increase of almost 10 percent over 1985.
- Over 2.4 million people were employed at franchise restaurants in 1986.
- United States franchise restaurant firms operated 6,769 international units in 1986.
- In 1988, foodservice franchisors expected to have 91,000 units in operation, with sales of $63.0 billion.

Foodservice—First in daily customer contact

- Americans eat out an average of 3.7 times a week or 192 times a year.
- Men eat out more frequently than women, 4.2 times per week versus 3.4 times.
- Per person check averages $3.52.
- Lunch is still the leading meal eaten away from home. Over half of all consumers eat lunch out at least once a week while 49 percent dine out for dinner and 18 percent eat breakfast out at least once a week.

Foodservice is a ladder to management opportunity

- Foodservice employs more minority managers than any other retail industry.
- Over half of all foodservice managerial and administrative personnel are women.
- Managerial and management-related workers employed in eating and drinking places will increase over 50 percent between 1986 and 2000.
- Over 575,000 individuals are employed in a supervisory capacity in eating and drinking places, a 47 percent increase since 1980.

Eating & drinking places are mostly small businesses

- Seven out of 10 units have annual sales of less than $500,000.
- Most are single unit (independent) operations.
- About one-half of all units are either sole proprietorships or partnerships.

necessary and significant public health risk. But the FDA also speculates that in the future, "with sufficient research and stringent controls, it might be possible to allow the technology in some retail food establishments."

Given the advantages of the sous-vide method, it is conceivable that equipment manufacturers will fund research in an effort to develop safer procedures that will gain FDA's blessing.

In 1988 the FDA also issued a proposed "Food Protection Unicode." This updated compendium of food-protection and sanitation provisions consolidated several separate model codes covering foodservice, food vending and retail stores, to eliminate inconsistencies and duplications. But the proposed unicode has been widely criticized for being inconsistent, redundant and unreliable and lacking adequate technical review.

Given the amount of negative comments FDA has received, it is conceivable that the proposed unicode will be extensively reworked before it is ready for implementation.

DEMOGRAPHIC AND LIFESTYLE TRENDS

Changes in lifestyle and demographic patterns will have a direct effect on the foodservice industry in the years to come. Among the major trends are:

□ **Maturing of Americans.** The U.S. population is getting older. According to the U.S. Department of Commerce, Bureau of the Census, the median age of the population in 1970 was 27.9; it is projected to be 32.6 in 1989 and 34.3 by 1994. Meanwhile, the percent of the population over 65 years of age has jumped from 9.8 in 1970 to 12.3 in 1987. This age group is increasing in number more rapidly than any other age group in the country.

Although total household income drops for those past retirement age, the Bureau of the Census estimates that more than 10 percent of households headed by a senior citizen had a yearly income in excess of $40,000. These senior citizens' spending requirements are in many cases lower than those of younger people. For example, a majority of them own their homes, and more than 75 percent of those houses are mortgage-free. This age group also allocates a large portion of its money to food. In 1986 seniors spent almost 17 percent of their annual budget on food, according to The Conference Board.

As a result, restaurant operators are realizing the importance of meeting the foodservice needs of these older consumers by offering foods that are low in salt and more traditional in nature, as well as more easily readable menus. These items are very high on senior citizens' lists of desirables.

U.S. median population age, 1984-2010

The U.S. population is aging

Year	Median age* (in years)
1984	31.1
1989	32.6
1994	34.3
1999	36.0
2005	37.6
2010	38.5

**Projected*

Source: *Projections of the Population of the United States, By Age, Sex and Race: 1983 to 2080,* U.S. Department of Commerce, Bureau of the Census

Household composition by marital status 1980 vs. 1988

Single-parent households are increasing

Household type	Proportion of total households 1980	1988
Family	73.7%	71.5%
Married couple	60.8	56.9
with children under 18	30.9	27.0
without children	29.9	29.9
Single parent	12.9	14.6
Male	2.1	3.0
Female	10.8	11.6
Unmarried couples	2.0	2.8
with children under 15	0.5	0.9
without children	1.5	1.9
Women living alone	14.0	14.4
Men living alone	8.6	9.7

Source: *"Households, Families, Marital Status and Living Arrangements: March 1988," U.S. Department of Commerce, Bureau of the Census*

Another area of opportunity is likely to be takeout and delivery service, particularly for elderly people who have difficulty getting around.

□ **Household composition.** According to Bureau of Census projections, population growth in the United States is slowing. For 1989 the annual rate of growth is forecast to be 0.91 percent, declining to 0.66 percent by 1997. In addition to the gradual moderation in population growth, there has been a shift in household composition.

Although the number of family households is increasing, those headed by a single parent are growing at a faster rate than those headed by a married couple. According to the Census Bureau, there was a 1 percent increase in the number of family households between 1987 and 1988. Families headed by a married couple advanced 0.5 percent between 1987 and 1988, while single-parent families grew by 2.8 percent during the same time period. This trend has continued throughout the decade. Since 1980 the number of married-couple households has grown by 5.5 percent, but the number of single-parent households has climbed 20.8 percent. In fact, single-parent families represent the most rapidly growing household group. Because single parents often have little time for meal preparation, they show a greater tendency to purchase takeout food than other family types.

Between 1980 and 1988, singles living alone were the second-fastest-growing

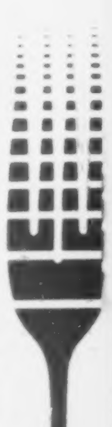
U.S. population growth: 1987–1997

The rate of population growth should slow through the 1990s

Year	Population*	Annual percent change
1987	243,084,000	—
1988	245,302,000	0.91
1989	247,498,000	0.90
1990	249,657,000	0.87
1991	251,767,000	0.85
1992	253,817,000	0.81
1993	255,800,000	0.78
1994	257,714,000	0.75
1995	259,559,000	0.72
1996	261,339,000	0.69
1997	263,060,000	0.66

**Projected, middle series*

Source: *U.S. Department of Commerce, Bureau of the Census*



household group, increasing in number by 19.6 percent. Although there was a 0.2 percent decline between 1986 and 1987, the number of single-person households grew 3.6 percent between 1987 and 1988 to resume the growth trend seen earlier in the decade. This upsurge in single-person households is good news for the foodservice industry, because singles spend a relatively large proportion of their food dollar away from home and eat out more frequently than other consumers do.

Eating expenditures by household composition: 1986

Household	Percent of total budget At home	 Away from home
Total households	**14.2%**	**4.7%**
Married households		
oldest child under 6	13.8	3.4
oldest child 6 to 17	15.4	4.2
oldest child 17+	15.0	5.0
no children	13.4	4.8
Other households		
with children	19.0	3.9
without children	12.8	5.7

Source: *How Consumers Spend Their Money*, Consumer Research Center, The Conference Board, Inc., 1986

Population* of children: 1984 to 1999 (in thousands)

Age	1984	1989	1994	1999
Under 5	18,232	19,142	18,823	17,774
5-9	16,219	18,371	19,281	18,965
10-14	17,295	16,402	18,552	19,462
Total	**51,746**	**53,915**	**56,656**	**56,201**

*projected

Source: *Projections of the Population of the United States, By Age, Sex and Race: 1983 to 2080*, U.S. Department of Commerce, Bureau of the Census

In addition to the changing composition of households, there has been an increase in the annual number of births. According to the Census Bureau, the fertility rate for all women in the United States climbed 0.7 percent between 1987 and 1988, and 4.6 percent between 1983 and 1988. This increase in children has resulted in more parents taking their offspring out to dine with them. According to CREST*, the number of occasions at which the dinner party included a child increased 20 percent between 1982 and 1987, while the number of adults-only parties decreased 1.4 percent over the same period. This trend can be observed across all restaurant types and categories.

A 1985 study in the *Journal of Consumer Marketing* showed that 43.4 percent of parents surveyed said their children influenced their choice of restaurants. To meet the needs of these families, restaurateurs should consider adding children's menus and smaller portions. In a 1988 National Restaurant Association survey, 59 percent of the respondents said they favor menus for children. Many restaurants already offer children's menus, except those where the average check is $25 per person or higher. According to a National Restaurant Association tableservice operator survey, 70 percent of tableservice restaurants with per-person dinner checks averaging less than $8.00 offer children's menu items. Seventy-nine percent of those with per-person checks averaging $8.00 to $14.99 offer kids' menus, and 60 percent of those with checks averaging $15.00 to $24.99 offer children's menus.

☐ **Growth of minorities.** As has been the trend in recent years, there will be continued population increases among Hispanics and Asians. According to the Bureau of the Census, during the first five years of this decade, the Asian population grew to more than 5.1 million—a 48.5 percent increase—and the Hispanic population escalated to 18.8 million by 1987.

Based on regional census information, both of these groups have historically had a pattern of high geographic concentration, with the majority of Hispanics residing in California or Texas and most Asians locating in California, Hawaii and New York. However, both groups are relocating to other areas of the country, particularly into the South and the Midwest. With this migration of Hispanics and Asians into new areas, subsequent changes in regional cuisines can be expected.

Because the Asian population has the highest rate of growth among minorities, it will become an increasingly important market for the industry.

According to a 1988 report published by the U.S. Commission on Civil Rights, the average family income of some Asian subgroups is among the highest of any racial or ethnic group.

As a minority group, Asian Americans have a very diverse background. With new immigrants coming from India, Korea, Vietnam and the Philippines, they are adding new dimensions to the Asian population, which has largely consisted of Japanese and Chinese immigrants. These groups, with their distinct cultures, preferences and tastes, will become a more important market for foodservice operators.

The Hispanic market continues to grow rapidly as well; and according to the Bureau of the Census, it will reach 30 million by the year 2000. A study published by the American Management Association in 1988 pointed out that more than three-quarters of Hispanics feel that they are Hispanic first and American second. The Hispanic market, like the Asian market, is extremely diverse and calls for a targeted marketing effort, especially in Spanish. (See the Marketing/Advertising section of this forecast for a look at Hispanic media usage.)

☐ **Increased focus on the home.** With the number of households on the rise, it is not surprising to see an increased interest in being at home.

Many consumers have had a sense that leisure time is decreasing. According to a poll by Louis Harris, the average American had 16.2 hours a week of leisure time in 1987, down from 26.2 hours a week in 1973. Furthermore, a 1988 study by Decision Research Corporation found that less than one-half of U.S adults

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**CREST stands for Consumer Reports on Eating Share Trends, a diary survey conducted by the NPD group* felt they had sufficient leisure time. Consumers are spending more time away from home, with many also saying that pressure at work is on the rise.

This increased amount of stress is bringing about a new definition of "home." According to Langer Associates Inc., home is taking on a sense of stability, security and sanctuary from the outside world. Many people are finding it a refuge from employment pressures, and they want the time at home to unwind after a long day. A 1988 survey by Decision Research Corporation on leisure found that 75 percent of Americans spend their whole evening at home. For many people this unwinding at home includes using delivery and carryout service, and relaxing in front of the videocassette recorder (VCR).

According to 1988 National Restaurant Association research on consumers' dinner decisions, dinner delivery service from restaurants is popular with singles and families with children. Similarly, restaurant carryout service is popular with these groups as well as with individuals less than 30 years old. For the most part, the decision to use either delivery service or restaurant takeout is spontaneous, and one of the major reasons cited for using either is convenience. Both takeout and delivery services allow consumers to savor restaurant food in the privacy of their own homes.

At home, the VCR is more popular than ever. According to *Research Alert*, it is estimated that VCR household penetration stood at 57 percent in the spring of 1988—an increase of 11 percent over the summer of 1987. A 1986 study by the Roper Organization indicates that watching a movie on the VCR was preferred to going out to a theater by more than 60 percent of the consumers surveyed in that study.

With VCR penetration continuing to grow and leisure time decreasing, the foodservice industry will continue to benefit by providing increased takeout and delivery service of complete meals for consumers opting to dine and relax in their residences. Midscale and upscale establishments can increase their share of this market by responding to consumer demand for quality and variety. Additionally, opportunities for off-premises catering are likely to grow in response to increased home entertaining.

Nutrition and health

The first "Surgeon General's Report on Nutrition and Health" was released by the U.S. Department of Health and Human Services in 1988. The report's primary conclusion was that overeating is a problem for many Americans, especially the disproportionate intake of fatty foods at the expense of foods high in fiber and complex carbohydrates. The Surgeon General recommended more public education on the relationship between diet and disease. The food industry was cited for its potential to improve the quality of the American diet by increasing the availability of palatable, easily prepared foods that meet the dietary guidelines.

With these recommendations in mind, the Kaiser Family Foundation has committed close to $3.5 million to fund a three-year public education campaign. The goals of "Project Lean" are to reduce Americans' dietary fat intake and to increase the availability of low fat foods through supermarkets, restaurants and cafeterias. Efforts such as this will not only serve to raise the public awareness of the relationship between diet and disease but should also help Americans make better food choices that will improve their overall diets.

On the horizon are other programs and technological developments that will assist the public in improving their eating habits. It is anticipated that the Food and Drug Administration (FDA) will allow food manufacturers to make certain health-benefit claims about their products. Furthermore, the American Heart Association is initiating a product-approval program. Foods that meet the group's dietary guidelines will be permitted to bear the heart association's mark of approval. This will help consumers identify heart-healthy foods and provide assurance of optimum nutrition beyond the manufacturers' claims.

Foodservice patrons, too, have the opportunity to choose more healthful menu items. According to a recent survey of chain operators (350-plus units) of fast food and family restaurants conducted by the National Restaurant Association only 5 of the 28 respondents use an animal-vegetable shortening blend (a source of saturated fat) exclusively for frying in their operations. Either vegetable oil or vegetable shortening (unsaturated fat) is used exclusively by 16 of the 28 respondents. Close to three-quarters of those surveyed represent quickservice operations, yet menu items included a variety of healthful foods for nutrition-conscious consumers. The majority offer decaffeinated coffee, entree salads or a salad bar, fruit juices, reduced or low-calorie salad dressings, low-fat milk and a nonfried sandwich.

Food manufacturers also are developing products that allow operators to serve foods with improved nutritional value. Introduced to the retail market a few years ago, canola oil is now available for foodservice use. Canola oil similar to olive oil in nutrient composition, is high in monounsaturated fat but also meets the major criteria for a frying fat with bland, stable flavor and a high smoke point. Manufacturers of frozen potato products are now frying some products in canola oil and vegetable oils. Lower fat varieties of traditional foods, like sausages and cold cuts, are being distributed through foodservice channels.

Developments in the area of food technology will result in palatable products with improved nutritional value. Two new fat substitutes, Simplese and Olestra, are undergoing the FDA approval process. Foods manufactured with these products will have characteristics similar to those of their regular counterparts but with fewer calories. The FDA recently approved a new sugar substitute, Acesulfame K, and new, improved salt substitutes are in the works.

Finally, participants in the National Restaurant Association's 1988 Delphi study of foodservice in the year 2000 predict that nutritional concerns will continue to be critical to menu development. They also believe that lower-calorie menu items will be commonplace and that chefs will be able to achieve rich flavors without the addition of fats and salt. The Delphi panelists see foodservice outlets offering more fish and poultry as well as fresh natural and wholesome foods.

INDUSTRY TRENDS

Consumer interest in tableservice-restaurant features, 1988

More than 75 percent of consumers are interested in separate smoking and nonsmoking sections

Feature	Percent very interested	Percent interested
Separate smoking/nonsmoking sections	74.0%	4.0%
Menu items for nutrition-conscious customers	59.0	17.0
Children's menu items	59.0	8.0
Food/salad bars	53.0	18.0

Source: National Restaurant Association Gallup Survey, 1988

Food, beverage and menu trends

To exercise their creativity and woo patrons, chefs seem more willing to experiment with unusual foods. This, coupled with a keen societal interest in food and cooking, has yielded some of the most original menus patrons have seen in some time. From fine dining establishments to quickservice restaurants, operators are expanding menus and breaking tradition to meet the demands of their increasingly sophisticated patrons.

"Fresh is best" seems to be the battle cry of chefs. More of them are building purchasing relationships with local farmers in order to guarantee a steady supply of high-quality produce. During the peak summer months of produce production, some chefs have bought the majority of their produce from neighboring farmers. And the trend is likely to continue. More and more of our domestic acreage is being used to raise specialty produce, even in nontraditional farming states. Plus state agricultural programs are encouraging financially stressed farmers to diversify into the specialty produce demanded by chefs.

An offshoot of the movement toward fresh ingredients is the proliferation of regional American dishes. American cuisine is finally recognized in international culinary circles, and most chefs are proud of this. Taking advantage of local, fresh ingredients, many chefs are featuring traditional regional dishes. Some are updating old-style recipes and preparation methods; others are Americanizing old ethnic favorites, like the chef in the Pacific Northwest who fills ravioli with crabmeat and hazelnuts.

According to the U.S. Department of Agriculture (USDA), poultry and fish consumption is expected to be up in 1989, and meat should continue to lose ground. Not all of this increase in fish consumption will be seen by restaurants; recent data indicate that although fish and seafood consumption is rising, less is being eaten in restaurants. In fact, CREST data shows restaurant fish orders declined 3.3 percent between 1982 and 1987. Shellfish was the only type of fish that gained popularity in foodservice establishments in 1987, with orders increasing 4 percent.

Possibly fish orders are being crowded out by ethnic dishes that continue to tantalize diners. Mexican and Asian segments have been among the fastest-growing ethnic concepts, with Italian restaurants close behind, due to the rapid expansion among chains. Until recently, Italian restaurants were operated largely by independents. But chain operators are now taking advantage of the opportunity to expand into this market since Italian food continues to lead the list of ethnic favorites.

Food bars are another concept that should remain popular in 1989. A Gallup survey conducted for the National Restaurant Association in 1988 reveals that 63 percent of adults who had visited a restaurant in the 30 days prior to the survey had made purchases from a salad or self-service food bar. The menu expansion provided by a food bar raises check averages, increases traffic and encourages repeat visits. Food bars can be expensive to maintain because of high labor and equipment costs, but 60 percent of consumers surveyed wish food bars were more widely available in tableservice restaurants.

According to a 1988 National Restaurant Association Gallup survey, restaurant patrons continue to be concerned about nutrition. Fifty-nine percent of respondents ranked nutritious menu items second on a list of 10 features they would like to see at tableservice restaurants. According to data from the Food Marketing Institute, the fat, sodium and cholesterol content of foods are the top three consumer concerns.

Restaurateurs are already responding to the interest in nutrition. The association's 1988 survey of tableservice operators shows that the vast majority will alter menu items on request to satisfy nutrition concerns. A majority offer items for nutrition-conscious consumers, and one-third to one-half feature menu items based on their nutritional benefits.

Chefs and food manufacturers are also developing cooking methods and recipes that reduce the fat and cholesterol levels of foods. Grilling has gained prominence on menus and operators are experimenting with other low-fat cooking techniques. In California, for example, chefs have begun to adopt the hot-rock cooking method, which involves no fat. Patrons cook thinly sliced, skewered raw meat, fish and vegetables on a slab of hot (300-500° F) granite. The finished product can be eaten plain, dipped in sauce or wrapped in soft flour tortillas, a dish one innovative restaurateur has termed "rockjitas."

In concert with the trend toward lower-fat food, grains are gaining a notable place on restaurant menus. Once restricted to health food stores and natural food restaurants, unusual grains such as amaranth, quinoa, spelt and aromatic rices have begun to move into mainstream restaurants, lending full-bodied flavors and interesting textures to dishes without driving up the fat and calorie content. Because of recent findings that oat bran in conjunction with a heart-healthy diet helps to reduce blood cholesterol levels, oats have gained particular respect in the public's eyes.

Changes in foodservice liquor sales reflect trends in alcoholic-beverage consumption. Patrons are drinking less in restaurants, but they seem willing to pay for premium wine, beer and spirits. Premium and imported beers are gaining an increasing share of beer sales, thanks to perceived value, especially when compared to the price of wine. Among other spirits, specialty liquors (cognac, brandy, etc.), vodka, tequila and schnapps are experiencing growth in an otherwise flat market. Experts speculate that consumption of imported vodka is status related; the rise in tequila consumption correlates with the growth of Mexican restaurants; and schnapps appeals to the young and health-conscious as an alternative to hard liquor.

Interest in American wines, especially regional varieties, is growing. Not only are the wines perceived to be a natural complement to regional American dishes, but domestic vineyards are also producing and marketing more wines. Finally, according to the Beverage Marketing Corporation, bottled-water purchases continue their meteoric climb; per-capita consumption is expected to increase at a rate of about half a gallon per year through 1996. Consumers seem to favor bottled water over tap due to reports questioning the safety of the water supply. Plus the interest in bottled water seems to correlate with the decrease in alcoholic beverage consumption.

Takeout

With the foodservice market becoming more competitive than ever before, successful operators will continue to define specific market niches and go after those target groups with strong marketing campaigns. One area seeing increased attention is takeout.

According to a National Restaurant Association survey, nearly nine out of 10 tableservice restaurants with dinner checks averaging less than $8.00 per person provide ready-to-eat carryout, and 82 percent of those in the $8.00 to $14.99 category do so. Takeout is an appealing convenience to some consumers when it is offered at tableservice restaurants. Twenty-five percent of the survey respondents said that they would be likely to purchase such meals at tableservice restaurants if they knew they were available. Many restaurateurs are expanding successful takeout concepts and developing new ones in order to tap this growing market. 1989 should see an emphasis on upscale takeout as more of these establishments make an effort to meet customer demand for convenience.

Delivery

Delivery service should also expand over the next few years. A substantial number of establishments already offer delivery. According to

Menu analysis results

Food consumption has changed dramatically in the last decade, and restaurant menus reflect this. An association study of the changes in restaurant menus over a six-year period (1982-1988) shows that patrons have a wider selection of foods, cooking methods and ethnic dishes to choose from when eating out. One hundred menus (lunch and dinner) were randomly selected from those submitted to the National Restaurant Association's Great Menu Contest for analysis. Fifty were chosen from the 1982 entrants and 50 from 1988.

The 1988 menus offered a greater number of foods than the 1982 menus. The expansion in variety is particularly apparent in the appetizer category (excluding soup); a total of 312 appetizers appeared on the menus in 1982, versus 444 in 1988. Pizza, pasta, meat and Mexican-type appetizers were big gainers over the six-year period. The growth of appetizers gives patrons the opportunity to sample a number of new foods and suggests that Americans still enjoy "grazing." And the increase in the number of meat appetizers may signal a shift from ordering meat entrees to smaller-portioned appetizers.

More entrees (846) were on the 1988 menus than on the 1982 menus (782), and greater variety was offered among the 1988 selections. Although seafood and fish dishes accounted for the largest (26 percent) percent of entrees in 1988, they declined from 31 percent in 1982. This decline supports other data indicating that consumers are less likely to order fish now than they were in 1982. The decrease in fish orders, however, could be attributed to more adventurous eating habits. Of the entrees on the 1982 menus, three-quarters (76 percent) were concentrated among three categories—seafood and fish, meat and poultry. In 1988, 93 percent of the entree sections included Mexican entrees and pasta in addition to seafood/fish, meat and poultry. This, coupled with the appearance of underutilized fish species, traditional Mexican entrees and the influence of Cajun cuisine, indicates that patrons want new eating experiences.

A more adventurous dining public is also hinted at in the variety of produce and ingredients used in salads on the 1988 menus. Despite a slight decline in the number of side salads (from 92 in 1982 to 86 in 1988), side salads included a wider variety of ingredients (greens, vegetables, cheeses, etc.). Hearts of romaine were updated with jicama and goat cheese, radicchio replaced bibb lettuce, and curly endive was paired with duck breast and cherry vinegar. The fascination with flavor can be seen in the increased variety of vinaigrette dressings. The 1982 menus carried three: herb, tarragon and a hot vinaigrette. By 1988 the number had reached 13, and included exotic varieties such as balsamic, creole, cilantro chili and orange ginger.

Cooking methods, too, are changing. The growth of grilled chicken is a good example. The number of grilled-chicken dishes (entrees, sandwiches and salads) exploded between 1982 and 1988—from six items to 46. More grilled fish also appeared in the 1988 menus, and the Cajun blackening method was used not only on fish but on hamburgers, steaks and chicken as well.

The number of desserts grew slightly over the years, with frozen desserts experiencing the biggest expansion. The 1988 menus also displayed more exotic sundaes (macadamia nut, hot fruit and white-chocolate ice cream with liquor sauce), less sherbet, and more sorbet and fountain treats. Patrons seem to want desserts they do not prepare at home. Cake appeared on fewer menus in 1988 than in 1982, and pastries grew from 5 percent to 9 percent of the dessert category.

Among beverages, instant decaffeinated coffee virtually gave way to brewed decaffeinated coffee during the six-year period. In 1982 15 menus featured instant decaffeinated coffee and brewed decafe was nowhere to be found. Conversely, 20 menus in 1988 had brewed decaffeinated coffee, while only three retained instant decaffeinated. Overall, the difference between the 1982 and 1988 menus reflects a more knowledgeable patron who knows good food, desires variety and is unwilling to compromise quality.

a National Restaurant Association survey, about one-third of tableservice restaurants deliver menu items to customers, although they often do not promote that service. Furthermore, 18 percent of consumers report that they are very likely to use delivery service if it is available at tableservice restaurants —— technological advances in food preparation and packaging will also improve the quality and expand the variety of possible delivery offerings.

Distribution of purchased-lunch occasions, 1987

Employee cafeterias and dining rooms captured the largest share of noontime occasions

	Share of occasions
Employee cafeteria/dining room	26%
Fast food restaurant	24
Tableservice restaurant	21
Deli/carryout	11
Convenience store	5
Vending machine	4
Grocery store	4
Mobile caterer	2
Street vendor	1
Other	2

Source: National Restaurant Association Gallup Survey, 1987

1988 quarterly traffic growth*

During summer 1988 there was a decline in traffic growth in all segments except quickservice restaurants at dinner

	Winter	Spring	Summer
Breakfast			
All restaurants	−1.9%	4.3%	−4.8%
Quickservice restaurants	nc**	10.9	−3.9
Midscale restaurants	−4.2	−4.9	−6.8
Upscale restaurants	−3.6	11.5	−1.8
Lunch			
All restaurants	4.6%	0.3%	−2.8%
Quickservice restaurants	4.7	1.6	−1.7
Midscale restaurants	3.6	−3.3	−3.7
Upscale restaurants	7.7	1.4	−10.7
Dinner			
All restaurants	4.0%	0.6%	−0.6%
Quickservice restaurants	6.7	1.9	2.5
Midscale restaurants	−3.2	−2.8	−5.1
Upscale restaurants	3.1	−0.3	−7.8

percent change is over the same period a year ago; **no change* **Source: NPD CREST, *Quarterly Household Reports*, 1988

Consumer interest in restaurant features

With so many restaurants to choose from, it's important for establishments to appeal to the special needs of customers. What are some of the things consumers want? In a National Restaurant Association 1988 Gallup survey, three-fourths of the respondents noted that they are very interested in separate sections for smokers and nonsmokers. Sixty percent find the idea of children's menus and nutritious items very attractive, and just slightly more than one-half of respondents expressed great interest in self-service salad or food bars. Other features that appeal to consumers include:

☐ on-premises baking
☐ daily and seasonal menu changes
☐ display cooking
☐ dessert displays and
☐ live entertainment

Although pizza will undoubtably retain its title as the delivery king, consumers can expect to see more delivery offerings of ethnic food, in particular Asian food. Small "delivery-only" kiosks should continue to pop up across the country. These outlets have the cost advantages of being lean staffed and of having lower overhead. There will likely be an increase in promotions for delivery items as well as greater use of guaranteed delivery times, as operators seek to differentiate themselves from their competitors.

Meal-period update

☐ **Breakfast.** The breakfast market continued to show signs of sluggishness in the first half of 1988. Total breakfast traffic for the first three quarters was down 0.4 percent when measured against the same period in 1987. The year did not start out well for the breakfast meal period, as traffic in the first quarter of 1988 declined 1.9 percent. However, breakfast patronage revived in the second quarter, with customer visits rising 4.3 percent over 1987's level. This healthy increase was driven by breakfast promotions at several major fast food chains. However, breakfast traffic declined 3.3 percent in the third quarter.

The greatest breakfast gains are being made in off-premises traffic. Off-premises breakfast traffic gained 7.3 percent and 17.1 percent, respectively, in the first and second quarters of 1988 and advanced 4.9 percent in the third quarter—a quarter in which breakfast traffic decreased. These figures show an improvement in the long-term trend for breakfast and morning-snack takeout, which rose 18 percent between 1982 and 1987.

Competition is expected to remain tight in the breakfast market in 1989, with most growth coming from off-premises consumption. Restaurants are competing with each other and facing stiff opposition from food companies marketing at-home breakfast products. In addition, convenience stores and grocery stores are making inroads into the away-from-home breakfast market.

The National Restaurant Association's 1988 special CREST study on the takeout market revealed the demographic characteristics of frequent breakfast takeout buyers. Singles, yuppies, working parents, affluent traditional families, 25 to 34-year-olds and higher-income groups reported above-average use of breakfast takeout in 1987.

☐ **Lunch.** After showing steady growth in 1987, lunchtime traffic was up a robust 4.6 percent in the first quarter of 1988, before slowing to a 0.3 percent growth rate for the second quarter and then declining 2.8 percent in the third quarter. Overall lunch-traffic advances have been led by increased customer interest in takeout. Takeout traffic increased 10.4 percent and 3.6 percent, respectively, for the first and second quarters of 1988 before flattening in the third quarter.

Gains in civilian employment, projected to 116.6 million in 1989, should help fuel lunchtime business. But the competition for midday customers is fierce, and the lunch market for employed consumers is changing, according to a National Restaurant Association Gallup survey. Survey results show that purchased lunches rival brown-bags for top market share. With more than half of daytime workers having access to microwave ovens to heat up lunches brought from home or purchased for takeout, lunchtime options have multiplied.

Furthermore, employee cafeterias are becoming more prominent in today's workplace. According to the association's Gallup survey, employee cafeterias and dining rooms captured the largest share of lunch occasions, followed by fast food and tableservice restaurants.

The weekend lunch is showing promise as well. After a busy workweek, many Americans seem less inclined to spend their weekends in the kitchen, fueling a 30 percent advance in weekend lunch takeout traffic between 1982 and 1987.

☐ **Dinner.** Dinner has posted the strongest gain among the three meal periods. This is largely due to a dramatic rise in takeout use during the evening. Off-premises traffic at dinner was up 10.2 percent and 3.0 percent, respectively, in the first and second quarters of 1988, after rising 49 percent between 1982 and 1987. Third quarter dinner-takeout traffic was up 4.8 percent in 1988. Total dinner visits advanced 4.0 percent in the first quarter of 1988 and had a modest 0.6 percent increase in the second quarter before declining 0.6 percent in a weak third quarter.

Demographic changes have had a strong effect on the dinner market and on takeout in particular. The National Restaurant Association's 1988 CREST study on takeout reveals that dinner takeout appeals strongly to affluent traditional families, singles and yuppies, as well as working parents and single parents. These groups all reported above-average use of dinner takeout in 1987.

Dinner should continue to offer opportunities to restaurateurs in 1989. Convenience will be as important as ever to consumers. With many in the "baby boom" segment starting to raise families, these households are likely to purchase dinner takeout meals as they juggle career and child-raising responsibilities.

MARKETING/ ADVERTISING

Success in the restaurant industry depends on the operator's ability to reach consumers, give them what they want and differentiate his or her establishment from the competition. Today, successful marketing means being "top of mind" or first on a consumer's mental list of restaurants. Restaurants that are neither well-known nor outstanding in terms of product and service will have difficulty prospering in this "survival-of-the-fittest" environment.

Survival of the fittest

Today customers have a wide variety of restaurants to choose from that provide the basics—high-quality food, satisfactory service, cleanliness and acceptable value for the price. To stand out, establishments must not only meet these standards, but they must also differentiate themselves from others.

Those that satisfy their customers' needs and have high market recognition are doing well. On the other hand, establishments that do not have "top-of-mind" recognition may thrive because they provide a superior quality product and higher level of service. Restaurants that are neither well known nor outstanding in terms of service and product will have difficulty surviving.

Direct mail

Needless to say, bringing a restaurant to the attention of the public is critical. Yet as a restaurant marketing tool, direct mail is often overlooked even though it is a cost-effective means of communicating a message. It can be personalized and sent to a selectively targeted market.

> ***As a restaurant marketing tool, direct mail is often overlooked, even though it is a cost-effective means of communicating a message.***

Use of advertising by all restaurant managers, 1987

As a restaurant marketing tool, direct mail is often overlooked

Type of advertising	Total percent using	Used regularly	Used occasionally	Not used at all
Newspapers	70%	29%	41%	29%
Sponsorship of community events	59	18	41	40
Sponsorship of teams	48	18	30	51
Radio	43	14	29	56
Handouts/fliers	42	15	27	57
Restaurant guides	33	11	22	65
Outdoor advertising	28	15	13	71
Direct mail	24	8	16	75
Magazines	21	4	17	78
Television	16	5	11	83

Source: National Restaurant Association Gallup Survey, 1987

Types of advertising used regularly by restaurant ownership, 1987

Newspapers are the most favored advertising medium

Type of advertising	Total percent using	Ownership	
		Chains, franchised independents	Independents
Newspapers	29%	44%	25%
Sponsorship of community events	18	19	17
Sponsorship of teams	18	13	19
Handouts/fliers	15	28	11
Outdoor advertising	15	24	13
Radio	14	31	10
Restaurant guides	11	8	13
Direct mail	8	19	5
Television	5	18	2
Magazines	4	2	5

Source: National Restaurant Association Gallup Survey, 1987

A 1987 National Restaurant Association Gallup Survey found that 75 percent of all restaurants do not use direct mail, and that chains and franchised independents are much more likely to use direct mail than are independents. Even fewer operators use direct mail to communicate without a coupon or discount.

Advertising

Although relatively few operators use direct mail, advertising has become increasingly important to restaurateurs, as operators turn to marketing-oriented strategies to increase market share. According to Leading National Advertisers, Inc., restaurateurs spent more than $1.35 billion to advertise their establishments in 1987—a 43 percent increase over 1984. In 1987 fast food operators accounted for a dramatic 85 percent of the total industry figure. The large disparity is related to the use of television advertising by fast food companies.

Overall, most operators do not use television, which is not surprising considering its cost. Instead, newspapers are the most popular form of advertising, used by 70 percent of the managers responding to an association Gallup survey. Nevertheless, only 30 percent report using newspapers on a regular basis.

In large part, differences in advertising vehicles reflect differing objectives. But promotions that include price discounts, two-for-one offers and special events are frequently a part of advertising campaigns—whether in the form of a printed coupon in the newspaper or a special offer announced over the radio.

Promotions

Along with advertising, the use of promotional offers has become an increasingly important part of foodservice marketing strategies. According to CREST, the percent of restaurant occasions involving a promotion reached 17.1 percent in 1987, up from 1[illegible].1 percent five years earlier. Furthermore, promotions were used on [illegible] percent of occasions during the June-August 1988 period, up 7.6 percent from a year earlier.

Hispanic media usage

Although there are several television networks that feature only Hispanic broadcasts, few major advertisers have used them, preferring to use the major broadcasting networks.

A 1988 study by the Telemundo Group on Hispanic media usage may give added incentive for foodservice operators to use Spanish television to advertise their restaurants. The study showed that 93 percent of the Hispanics surveyed watched Spanish television, compared to only 53 percent who watched broadcasts in English. Of Hispanics who were bilingual, 57 percent spent most of their viewing hours tuned to broadcasts in Spanish. More than three out of four Hispanics believe that if an advertiser uses Spanish, the advertiser wants their business. In addition, 63 percent said they were more likely to purchase and use a product advertised on Spanish television, and 60 percent would choose an item promoted in Spanish over a similar product advertised in English.

INDUSTRY OPERATIONS

According to the 1988 National Restaurant Association Tableservice Operator Survey, restaurant operators listed the labor shortage as the number-one problem they currently face. However, many operators are taking innovative approaches to labor recruitment and retention, and are employing more labor-saving devices and equipment in order to forestall the labor shortage.

Labor trends

The labor situation will continue to dog the foodservice industry in 1989. What are restaurant operators doing to find and retain high-quality personnel? According to a 1988 National Restaurant Association Gallup survey, more than half of all restaurants provide hourly employees with flexible working schedules, ongoing training and advancement opportunities. Thirty-one percent of restaurant managers say they have recently increased starting wages, and 23 percent say that they are going to do so in the near future. Likewise, 18 percent of the managers surveyed report that they have just strengthened benefits packages, and 21 percent expect to do so soon.

Some operators are also tapping into demographic groups that will become more numerous in the U.S. labor force in the years ahead. According to the U.S. Bureau of Labor Statistics, three demographic groups that are expected to grow in size in the foodservice workforce during the next 15 years include minorities, the middle-aged and women. Some restaurant operators have already targeted these expanding groups with specific recruitment and training programs that cater to the needs of each group.

Many restaurant operators are addressing the labor shortage by hiring from nontraditional sources of labor, such as the physically and mentally handicapped. Individuals from these groups often prove to be very reliable and capable workers. There are also an abundance of government and community-assistance programs available to help smooth the transition of individuals from these groups into the workforce.

Labor force projections by demographic group 1986–2000

In the year 2000, employers will face a much different workforce, with fewer teenagers and young adults but more women, minorities and middle-aged workers

	Civilian labor force	
Demographic group	**Percent of labor force—1986**	**Percent of labor force—2000**
16 to 24-year-olds	19.8%	16.3%
25 to 34-year-olds	29.3	22.8
35 to 54-year-olds	38.3	49.8
Women	44.5	47.3
Minorities	24.2	36.1
Foodservice occupational employees	6.0	7.0

Source: U.S. Department of Labor, Bureau of Labor Statistics

How restaurants are responding to the labor shortage

Most managers have or expect to improve training

	Percent of managers taking actions							
	East		Midwest		South		West	
	Already done	Expect to do	Already done	Expect to do	Already done	Expect to do	Already done	Expect to do
Improve training	50%	25%	35%	39%	33%	38%	40%	28%
Increase starting wages	43	24	27	19	26	23	32	29
Improve benefits	22	14	15	21	15	26	22	23
Expand recruiting	18	23	17	26	14	24	16	19
Increase hours worked	22	15	16	17	13	18	11	18

Source: National Restaurant Association Gallup Survey, 1988

Aggressive recruitment strategies will become part of a growing trend in the years ahead. According to a National Restaurant Association Gallup survey, 23 percent of the restaurant managers surveyed plan to expand future recruiting efforts. For example, some operators, particularly the larger chains, are currently using buses and vans to transport inner-city dwellers to suburban locations. Others have targeted local high schools and recruit directly on campus. Other practices that will become more prevalent in the future include the offering of referral rewards, rehiring former workers, internships from nearby hospitality schools, recruitment ads aimed at specific segments of the population and pooling of information among restaurants about available labor sources.

The industry is moving forward to meet the employment challenges, and will continue to do so in the future. A greater emphasis will be placed on human resource development through the establishment of more career-oriented positions in foodservice. Other programs likely to become more prevalent include incentive and bonus programs, awarding of equity stakes in the business, flexibility in scheduling, increased benefit packages and investment in professional development through outside education opportunities.

Aggressive recruitment strategies will become part of a growing trend in the years ahead.

Remodeling

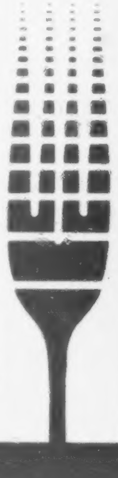
Many tableservice restaurants are revamping kitchens and remodeling dining rooms in order to upgrade service and create a fresh look. According to the 1988 National Restaurant Association Tableservice Operator Survey, one-third of respondents said they remodelled their kitchen in 1988 or plan to do so in 1989, and about four in 10 are remodeling their dining room. Among restaurants where the average dinner check is more than $8.00 per person, remodeling is more likely to occur in the dining room than in the kitchen, which may indicate the competitive pressures these establishments are feeling. These restaurants are using dining-room decor as more of a marketing tool than they did in the past.

More restaurants will be installing separate sections for carryout and delivery.

Future design and improvement at some restaurant operations will also focus on enhancing takeout service. More restaurants will be installing separate sections for carryout and delivery. There will be more establishments, such as double-thrus, built solely for serving takeout customers.

Computerization

Automation and information technology will continue to make their way into restaurants. According to the National Restaurant Association Tableservice Operator Survey, more than 60 percent of restaurants



with sales volumes over $500,000 used a computer in 1988. Accounting/bookkeeping and inventory control were the most popular applications of computer programs at tableservice restaurants in 1988. There should be greater restaurateur utilization of software designed for purchasing, forecasting and employee scheduling in 1989. Computer-aided and microwave technology will play a greater role in food preparation and cooking. Other improvements in equipment will simplify overall kitchen facilities management.

Efficiency

Efficient operations management will become even more important as competitive pressures keep profit margins narrow. With prime urban and suburban locations becoming more difficult to come by and real estate costs rising sharply in many regions of the country, new-unit construction and expansion will continue to slow in 1989. Rather than build new structures, many operators will look to unconventional ways to expand their operations, such as conversion and renovation of existing sites and site sharing. Operators will also set up more units at such nontraditional sites as airports, hospitals and military bases. Companies operating units at these locations often enjoy the advantages of less competition as well as the ability to market to a defined, captive audience.

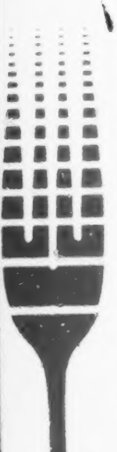
1989 operation costs

☐ **Food.** Menu prices are expected to rise 4.6 percent in 1989, slightly below the projected rate of increase for the overall Consumer Price Index (CPI). During 1988, menu prices advanced a lower 4.1 percent.

Wholesale food prices should gain 3.2 percent in 1989—up from the 2.7 percent increase in 1988. This expected increase in wholesale food prices is partially due to the aftereffects of the 1988 drought. The drought resulted in higher feed costs for farmers, pushing them to slaughter their livestock at an above-average rate in 1988. This will tighten beef and pork supplies, resulting in higher prices for these items in 1989. Broiler prices should remain steady in 1989, as increased production offsets continued strong demand. Egg prices are likely to inch up slightly in 1989, since egg producers are expected to scale back production after many months of unprofitability.

☐ **Labor.** Industry labor costs are forecast to advance 4.0 percent in 1989, following a 2.7 percent increase this year. Low unemployment rates, combined with a continuing decline in the number of teenagers in the labor force, should push wages up in 1989. Starting hourly wages should continue to rise, and the amount of benefits offered to workers should also increase. Operators are also likely to spend more on labor recruitment and retention.

☐ **Other costs.** Other costs should increase 5.0 percent in 1989—well above the 4.1 percent rise of 1988. The cost of solid-waste disposal and garbage removal should rise substantially in 1989 because of the growing scarcity of dump sites. Insurance costs and advertising expenses are also expected to climb in 1989. Electricity prices, however, should remain steady.



INDUSTRY STRUCTURE

Consolidation. In 1989 industry consolidation will continue. Companies will still be hunting for profitable mergers and acquisitions, although the action is not likely to be as frantic as it has been in recent years. At the same time, some larger chains will be exploring the possibility of downsizing by shedding unprofitable units and restructuring corporate operations. Many smaller chains and independents will also be merging and acquiring new operations. However, in making acquisitions, these companies—as well as some of the larger chains—will be looking more to bolster their presence in their current market segment rather than expanding into new markets.

Continued merger and acquisition activity among the chains will magnify additional cost pressures on the smaller independent operators, who will have to contend with the larger chains' advantage of being able to buy into cheaper purchasing agreements. The next few years could see the creation of more purchasing and marketing cooperatives among smaller operators in order to give them greater buying and promotional clout.

Globalization. During the last few years, foreign companies and organizations have substantially increased their investment in and ownership of U.S. companies and real estate. Within the next few years, foreign penetration into the domestic foodservice market will probably increase. However, this penetration is likely to come in the form of purchases of existing successful concepts rather than through the introduction of new concepts to the U.S. market. Foreign companies, particularly those from Western Europe and Japan, are likely to be more involved in future foodservice merger and acquisition activity.

> *Within the next few years, foreign penetration into the domestic foodservice market will probably increase.*

In addition, as the domestic market becomes saturated, some U.S. chains are expanding rapidly overseas. Several larger chains have taken advantage of the rapprochement between the United States and the Soviet Union and have set up units in the Soviet Union and Eastern Bloc nations. These countries will receive further attention from U.S. chains in 1989, although they are likely to remain relatively minor markets for the foodservice industry for some time. Continental Europe can expect to experience further penetration of its markets in 1989 by U.S. chains, as cultural and language barriers continue to erode.

U.S. foodservice companies are also likely to increase their focus on Japan, Australia and Southeast Asia, since rapid economic growth in these regions has made them attractive for investment and expansion. Canada, however, should receive the most attention from U.S. chains during the next few years. Because of its proximity and cultural similarities, companies may feel more comfortable investing in Canada than in other parts of the world.

EATING PLACES

Sales at the nation's eating places will advance by 7 percent to $147.1 billion in 1989, after reaching $137.4 billion in 1988. Adjusted for inflation, eating-place sales will grow 2.4 percent in 1989 and will account for nearly three-quarters of the real growth in the foodservice industry.

Eating place sales: $147.1 billion

	1986 Estimated F&D sales ($000)	1988 Projected F&D sales ($000)	1989 Projected F&D sales ($000)	1988-1989 Percent change	1988-1989 Percent real growth change	1986-1989 Compound annual growth rate
Total eating places	**$120,124,201**	**$137,443,437**	**$147,116,844**	**7.0%**	**2.4%**	**7.0%**
Restaurants, lunchrooms	62,301,434	70,133,970	74,364,088	6.1	1.5	6.1
Limited menu restaurants, refreshment places	51,484,858	60,124,238	65,054,426	8.2	3.6	8.1
Commercial cafeterias	3,470,130	3,899,036	4,164,169	6.8	2.2	6.3
Social caterers	1,390,109	1,596,000	1,714,104	7.4	2.8	7.2
Ice cream, frozen-custard stands	1,477,670	1,690,194	1,800,057	6.5	1.9	6.8

Real growth at eating places is attributed to increases in the nation's population, coupled with a slowly increasing consumer propensity to purchase meals away from home.

Fast food restaurants should once again lead the eating-place group, with sales projected to advance 8.2 percent in 1989 to $65.1 billion, up from $60.1 billion in 1988. Although real sales should be up 3.6 percent at limited-menu restaurants, the rate of sales growth during the next several years will be slower than that of years past. This slower but steady growth results from a continued slowdown in new-unit expansion and an increased focus on overseas markets among major chains. Nevertheless, competition will be intense, as fast food chains seek to protect their turf from grocery and convenience stores. As is true throughout the industry, well-managed fast food chains will continue to see healthy growth at the expense of the weaker, poorly run chains. Concepts that are better positioned, better located and better advertised and promoted will far outperform others in 1989.

Marketing expertise and a willingness to innovate are key factors that will separate successful fast food chains from the rest of the pack in 1989. Heavy TV advertising will continue, with spots aimed at creating top-of-mind awareness and inducing frequent patronage. Consumers will see more promotional games designed to increase visit frequency.

Consumers can also expect some of the major chains to focus on bolstering snacktime sales in 1989 and to upgrade both service and decor. In addition, regional management will play a greater role in corporate decisionmaking as chains tailor operations to meet the needs of local markets.

Sales at **restaurants** and **lunchrooms** are estimated to reach $74.4 billion in 1989—a 6.1 percent advance from 1988. Real growth in 1989 is projected at a rate of 1.5 percent, less than the 1.9 percent in 1988.

Restaurants and lunchrooms will see continued growth because a growing number of Americans believe eating out is an important component of their lifestyles. Eating out has become as much a necessity as it once was a luxury. Numerous restaurants now meet the previously unfulfilled consumer demand for both convenience and variety when dining out. As a result, consumers now have greater freedom of choice, and operators need to be more sensitive to the needs of their clientele or risk losing customers.

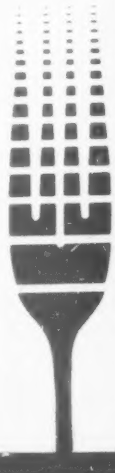
Price/value and quality of service are two areas that restaurants will need to focus on in 1989 if they are to maintain a strong customer base. Operators will have difficulty raising prices unless they can be justified by a corresponding increase in the perceived value of the meal. With such a wide variety of dining-out choices available, consumers also demand high-quality service. In order to maintain customer loyalty, restaurateurs must provide service that is in keeping with consumer expectations for their particular type of establishment.

Sales at **commercial cafeterias** are forecast to total $4.2 billion in 1989, a 6.8 percent increase over 1988. Real sales growth is estimated to reach 2.2 percent, up from recent years. The economies of the southern and southwestern states—areas where many of the country's cafeterias are located—are gradually rebounding. Furthermore, several cafeteria chains have recently upgraded facilities, strengthened marketing campaigns and improved takeout sections—all of which should bolster sales in 1989. Also, cafeterias emphasize food variety and price/value—two concerns prevalent among today's consumers.

Social caterers are projected to show a 7.4 percent increase in sales, to $1.7 billion, with real growth expected to be 2.8 percent. Growth is based on an increase in weddings and more formal events, which will offset a decline in the number and size of corporate functions.

Sales at **ice cream and frozen-custard stands** are projected to exceed $1.8 billion in 1989, posting a 6.5 percent advance. After adjusting for inflation, real growth will be 1.9 percent, lower than that of recent years, as chains reduce their rate of new-store openings. Also, these establishments will be facing increased competition from grocery stores, which are marketing brand-name ice cream and frozen-custard products.

Sales at **bars and taverns** are projected to grow 5.0 percent, reaching $10.3 billion in 1989. In real terms, sales should advance at a 0.4 percent rate. Bars and taverns will continue to be affected by the higher drinking age and recent consumer moderation in alcohol consumption.



MAJOR MARKET OUTLOOK FOR 1989

This section looks at sales projections for eight major foodservice markets.

Lodging places

□ The hotel, motel and motor-hotel markets should experience a real gain of 2.1 percent in 1989, largely as a result of newly opened properties in higher-occupancy locations and marginal increases in occupancy levels.

□ Convention business should continue to grow; however, the rate may slow as a result of corporate moderation and the 80-percent limit on deductibility, which will affect some meals at hotels for the first time in 1989.

□ Hotels should capture all the real growth in this category, posting a 2.7 percent advance in 1989; motels and motor hotels should continue the current pattern of declining real sales.

Transportation foodservice

□ Airline traffic is slated to rise 5.0 percent in 1989, down from the 7.1 percent gain in 1988.

□ Cuts are not expected in airline foodservice provided while in transit, so there should be a closer relationship between real sales growth and passenger traffic in 1989.

□ Cruise lines should continue to post the largest gains in the transportation sector, thanks to marketing and increased berth capacity.

□ Railroads are expected to experience modest passenger growth.

Military foodservice

□ As a result of a 0.5 percent increase in the military population, foodservice at PXs and clubs should post real growth of 1.6 percent.

Employee foodservice

□ Employment prospects are looking up for 1989. Manufacturing and industrial employment should be up 0.9 percent, largely due to the strength of exports and the lower value of the dollar abroad.

□ As the nation's economy becomes more service and information-oriented, commercial and office employment should increase. As a result, real food and drink sales by contractors in commercial and office buildings should advance 4.3 percent in 1989.

□ Inflation-adjusted institutional food and drink sales in the employee foodservice category—which in-

Lodging place sales: $13.9 billion

	($000)			1988-89 Percent change	1988-1989 Percent real growth change	1986-89 Compound annual growth rate
	1986	1988	1989			
Total lodging places	**$11,383,225**	**$13,065,598**	**$13,940,993**	**6.7%**	**2.1%**	**7.0%**
Hotel restaurants	9,404,158	10,950,399	11,750,432	7.3	2.7	7.7
Motor-hotel restaurants	754,327	815,873	850,956	4.3	−0.3	4.1
Motel restaurants	1,224,740	1,299,326	1,339,605	3.1	−1.5	3.0

Transportation foodservices sales: $2.4 billion

	($000)			1988-89 Percent change	1988-1989 Percent real growth change	1986-89 Compound annual growth rate
	1986	1988	1989			
Total transportation foodservice	**$ 1,766,031**	**$ 2,146,690**	**$ 2,359,113**	**9.9%**	**6.0%**	**10.1%**
Contractors, in-transit foodservice commercial airlines	798,431	955,587	1,041,590	9.0	5.0	9.3
Transportation *	967,600	1,191,103	1,317,523	10.6	6.8	10.8

** Includes sales on airlines, passenger/cargo liners and railroads*

Military foodservice sales: $1.1 billion

	($000)			1988-89 Percent change	1988-1989 Percent real growth change	1986-89 Compound annual growth rate
	1986	1988	1989			
Total military foodservice *	**$ 925,240**	**$ 1,027,576**	**$ 1,091,667**	**6.2%**	**1.6%**	**5.7%**
Officers' & NCO clubs ("Open Mess")	610,280	675,397	716,596	6.1	1.5	5.5
Military exchange foodservice	314,960	352,179	375,071	6.5	1.9	6.0

** Continental U.S. only*

Employee foodservice sales: $6.8 billion

	($000)			1988-89 Percent change	1988-1989 Percent real growth change	1986-89 Compound annual growth rate
	1986	1988	1989			
Total employee foodservice	**$ 5,781,416**	**$ 6,465,357**	**$ 6,841,994**	**5.8%**	**1.3%**	**5.8%**
Food contractors						
Manufacturing & industrial plants	2,824,473	3,367,446	3,657,046	8.6	4.0	9.0
Commercial & office buildings	981,056	1,165,589	1,269,326	8.9	4.3	9.0
Institutional employee foodservice *	1,975,887	1,932,322	1,915,622	−0.9	−5.3	−1.0

** Includes sales for industrial and commercial organizations, seagoing ships and inland-waterway vessels* cludes meal and snack sales for industrial and commercial organizations, seagoing ships and inland waterway vessels—are expected to decline in 1989 as a result of greater contractor penetration of this market.

Health-care foodservice

□ Total health-care foodservice sales are forecast to advance 0.7 percent in inflation-adjusted dollars.

□ Real sales in hospital foodservice are forecast to be off 0.4 percent in 1989, but occupancy rates are expected to bottom out.

□ Contractors are benefiting from cost-containment programs and are keeping up with the sector's demand for consistent, high-quality meals.

□ The nursing-home population should grow as the nation ages.

Educational foodservice

□ This sector should experience positive real growth in 1989.

□ Colleges and universities should see a 0.1 percent increase in the student population.

□ Elementary schools are expected to enjoy a 1.6 percent enrollment hike, but high schools may see a drop of 3.1 percent in 1989.

Although the school-lunch program will probably not be cut, overall primary and secondary education foodservice is expected to have a real sales gain of only 0.2 percent. Contractors in this field should post real sales growth of 2.2 percent.

Recreational foodservice

□ Sports and recreation centers should experience 2.7 percent real sales growth in 1989, with both sports and arena activities showing modest gains.

□ National park visits are predicted to be up considerably over 1988, when park fires reduced patronage.

□ Clubs and sporting and recreational camps should post real sales growth of 1.4 percent in 1989.

Other foodservice

□ Growth in meals and snacks at grocery and convenience stores, liquor stores and gas stations is forecast to boost sales at **retail hosts** 4.9 percent in inflation-adjusted dollars. High growth in these categories should offset low growth or declines in department stores, variety stores and drugstores.

□ **Mobile caterers** should experience a 1.9 percent real increase in sales in 1989. This can be attributed to slight increases in construction and manufacturing employment as well as more attendance at sporting events.

□ **Community center** foodservice is expected to increase 5.0 percent in inflation-adjusted dollars. Increases in programs for the elderly, feeding of the homeless and child feeding in summer programs are expected.

Health care foodservice sales: $12.8 billion

	($000)			1988-89 Percent change	1988-1989 Percent real growth change	1986-89 Compound annual growth rate
	1986	1988	1989			
Total health care foodservice	**$11,530,425**	**$12,318,197**	**$12,822,679**	**4.1%**	**0.7%**	**3.6%**
Contractors in hospitals & nursing homes	1,262,581	1,445,518	1,561,159	8.0	3.4	7.3
Hospitals *	7,170,185	7,496,457	7,706,358	2.8	−0.4	2.4
Nursing homes	3,097,659	3,376,222	3,555,162	5.3	2.1	4.7

Includes voluntary and proprietary hospitals; long-term general, TB, mental hospitals; and sales or commercial equivalent to employees in state and local short-term hospitals and federal hospitals

Educational foodservice sales: $10.6 billion

	($000)			1988-89 Percent change	1988-1989 Percent real growth change	1988-89 Compound annual growth rate
	1986	1988	1989			
Total educational foodservice	**$ 9,070,788**	**$10,075,284**	**$10,587,426**	**5.1%**	**0.1%**	**5.3%**
Colleges & universities						
Contractors	1,882,392	2,236,468	2,433,277	8.8%	3.6%	8.9%
Institutional	3,193,136	3,430,424	3,533,337	3.0	−2.2	3.4
Subtotal	**$ 5,075,528**	**$ 5,666,892**	**$ 5,966,614**	**5.3%**	**0.1%**	**5.5%**
Primary & secondary schools						
Contractors	935,133	1,048,730	1,120,044	6.8%	2.2%	6.2%
Institutional	3,060,127	3,359,662	3,500,768	4.2	−0.4	4.6
Subtotal	**$ 3,995,260**	**$ 4,408,392**	**$ 4,620,812**	**4.8%**	**0.2%**	**5.0%**

Recreational foodservice sales: $6.2 billion

	($000)			1988-89 Percent change	1988-1989 Percent real growth change	1988-89 Compound annual growth rate
	1986	1988	1989			
Total recreational foodservice	**$ 5,212,145**	**$ 5,854,103**	**$ 6,226,192**	**6.4%**	**1.8%**	**6.1%**
Recreation & sports centers						
Contractors	1,410,732	1,616,653	1,734,669	7.3%	2.7%	7.1%
Noncontractors [1]	2,054,992	2,286,664	2,425,474	6.1	1.5	5.7
Subtotal	**$ 3,465,724**	**$ 3,903,317**	**$ 4,160,143**	**6.6%**	**2.0%**	**6.3%**
Clubs,[2] sporting and recreational camps	1,746,421	1,950,786	2,066,049	5.9%	1.4%	5.8%

[1] Includes sales at drive-in movies, bowling lanes and recreational and sports centers

[2] A proportion of food and beverage sales in clubs is business-related

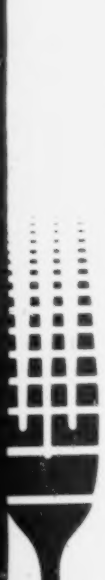
Other foodservice sales

	($000)			1988-89 Percent change	1988-1989 Percent real growth change	1988-89 Compound annual growth rate
	1986	1988	1989			
Retail hosts	$ 7,052,211	$ 8,751,625	$ 9,580,785	9.5%	4.9%	10.8%
Mobile caterers	668,038	756,980	806,184	6.5	1.9	6.5
Vending & nonstore retailers *	4,156,228	4,736,254	5,015,693	5.9	0.9	6.5
Community centers	450,192	529,486	572,904	8.2	5.0	8.4

** Includes sales of hot food, sandwiches, pastries, coffee and other hot beverages*

Foodservice industry food and drink sales projected to 1989

	1986 Estimated F&D sales ($000)	1988 Projected F&D sales ($000)	1989 Projected F&D sales ($000)	1988-1989 Percent change	1988-1989 Percent real growth change	1986-1989 Compound annual growth rate
Group I—Commercial Foodservice[1]						
Eating places						
Restaurants, lunchrooms	$ 62,301,434	$ 70,133,970	$ 74,384,088	6.1%	1.5%	6.1%
Limited-menu restaurants, refreshment places	51,484,858	60,124,238	65,054,426	8.2	3.6	8.1
Commercial cafeterias	3,470,130	3,899,035	4,164,169	6.8	2.2	6.3
Social caterers	1,390,109	1,596,000	1,714,104	7.4	2.8	7.2
Ice cream, frozen-custard stands	1,477,670	1,690,194	1,800,057	6.5	1.9	6.8
Total eating places	$120,124,201	$137,443,437	$147,116,844	7.0%	2.4%	7.0%
Bars/taverns	8,976,119	9,839,559	10,331,537	5.0	0.4	4.8
Total eating & drinking places	$129,100,320[2]	$147,282,996	$157,448,381	6.9%	2.3%	6.8%
Food contractors						
Manufacturing & industrial plants	$ 2,824,473	$ 3,367,446	$ 3,657,046	8.6%	4.0%	9.0%
Commercial & office buildings	981,056	1,165,589	1,269,326	8.9	4.3	9.0
Hospitals & nursing homes	1,262,581	1,445,518	1,561,159	8.0	3.4	7.3
Colleges & universities	1,882,392	2,236,468	2,433,277	8.8	3.6	8.9
Primary & secondary schools	935,133	1,048,730	1,120,044	6.8	2.2	6.2
In-transit foodservice (airlines)	798,431	955,587	1,041,590	9.0	5.0	9.3
Recreation & sports centers	1,410,732	1,616,653	1,734,669	7.3	2.7	7.1
Total food contractors	$ 10,094,798	$ 11,835,991	$ 12,817,111	8.3%	3.6%	8.3%
Lodging places						
Hotel restaurants	$ 9,404,158	$ 10,950,399	$ 11,750,432	7.3%	2.7%	7.7%
Motor hotel restaurants	754,327	815,873	850,956	4.3	−0.3	4.1
Motel restaurants	1,224,740	1,299,326	1,339,605	3.1	−1.5	3.0
Total lodging places	$ 11,383,225	$ 13,065,598	$ 13,940,993	6.7%	2.1%	7.0%
Retail host restaurants[3]	$ 7,052,211	$ 8,751,625	$ 9,580,785	9.5%	4.9%	10.8%
Recreation & sports[4]	2,054,992	2,286,664	2,425,474	6.1	1.5	5.7
Mobile caterers	668,036	756,980	806,184	6.5	1.9	6.5
Vending & nonstore retailers[5]	4,156,228	4,736,254	5,015,693	5.9	0.8	6.5
TOTAL GROUP I	**$164,509,812**	**$188,716,108**	**$202,034,621**	**7.0%**	**2.4%**	**7.1%**
Group II—Institutional Foodservice -Business, educational, governmental or institutional organizations that operate their own foodservice						
Employee foodservice[6]	$ 1,975,887	$ 1,932,322	$ 1,915,622	−0.9%	−5.3%	--1.0%
Public & parochial elementary, secondary schools	3,060,127	3,359,662	3,500,768	4.2	−0.4	4.6
Colleges & universities	3,193,136	3,430,424	3,533,337	3.0	−2.2	3.4
Transportation	967,600	1,191,103	1,317,523	10.6	6.8	10.8
Hospitals[7]	7,170,185	7,496,457	7,706,358	2.8	−0.4	2.4
Nursing homes, homes for aged, blind, orphans, and the mentally & physically handicapped[8]	3,097,659	3,376,222	3,555,162	5.3	2.1	4.7
Clubs, sporting & recreational camps	1,746,421	1,950,786	2,066,049	5.9	1.4	5.8
Community centers	450,192	529,486	572,904	8.2	5.0	8.4
TOTAL GROUP II	**$ 21,661,207**	**$ 23,266,462**	**$ 24,167,723**	**3.9%**	**−0.1%**	**3.7%**
TOTAL GROUPS I & II	**$186,171,019**	**$211,982,570**	**$226,202,344**	**6.7%**	**2.2%**	**6.7%**
Group III—Military Foodservice[9]						
Officers' & NCO clubs ("Open Mess")	$ 610,280	$ 675,397	$ 716,596	6.1%	1.5%	5.5%
Foodservice—military exchanges	314,960	352,179	375,071	6.5	1.9	6.0
TOTAL GROUP III	**$ 925,240**	**$ 1,027,576**	**$ 1,091,667**	**6.2%**	**1.6%**	**5.7%**
GRAND TOTAL	**$187,096,259**	**$213,010,146**	**$227,294,011**	**6.7%**	**2.2%**	**6.7%**



Footnotes:

1. Data are given only for establishments with payroll.
2. Food and drink sales for nonpayroll establishments totaled $3,626,296,000 in 1986.
3. Includes drug and proprietary store restaurants, general-merchandise-store restaurants, variety-store restaurants, food-store restaurants, grocery-store restaurants, gasoline-service-station restaurants and miscellaneous retailers.
4. Includes drive-in movies, bowling lanes and recreation and sports centers.
5. Includes sales of hot food, sandwiches, pastries, coffee and other hot beverages.
6. Includes industrial and commercial organizations, seagoing and inland-waterway vessels.
7. Includes voluntary and proprietary hospitals; long-term general, TB, mental hospitals; and sales or commercial equivalent to employees in state and local short-term hospitals and federal hospitals.
8. Sales (commercial equivalent) calculated for nursing homes and homes for the aged only. All others in this grouping make no charge for food served either in cash or in kind.
9. Continental U.S. only.

1989 FOOD AND DRINK PURCHASES

Food and drink purchases for the foodservice industry are forecast to reach $85.3 billion in 1989. Purchases in the **Commercial Foodservice Group,** which account for 75.1 percent of the total amount spent, are estimated to equal $64.1 billion.

Highlights for 1989 food and drink purchases

☐ **Eating places,** which comprise the largest component of the Commercial Foodservice Group, are forecast to record food and drink purchases of $48.7 billion in 1989.

☐ **Food-contractor** purchases are expected to equal $4.9 billion. This group represents the largest component of the commercial segment outside of eating places in terms of food and drink purchases.

☐ Purchases for the **Institutional Foodservice Group,** which account for 16.0 percent of the total, are projected to reach $13.6 billion.

> ***The drought's main effect on food prices is expected to be felt in 1989.***

☐ **Public and parochial elementary and secondary schools,** the largest food and beverage purchasers in the institutional segment, should post purchases of $3.5 billion, just slightly ahead of hospitals.

☐ **Military-foodservice** purchases are forecast to total $2.6 billion. Expenditures by defense personnel, the largest share of military foodservice purchases, are predicted to total $2.2 billion.

Foodservice industry food and drink purchases projected to 1989*

	Estimated food and drink purchases ($000)
GROUP I: Commercial Foodservice[1]	
Eating places	
Restaurants, lunchrooms	$25,290,590
Limited-menu restaurants	20,817,416
Commercial cafeterias	1,457,459
Social caterers	599,936
Ice cream, frozen-custard stands	511,198
Total—eating places	**$48,676,599**
Bars and taverns	481,656[2]
Total—eating and drinking places	**$49,158,255**
Food contractors	
Manufacturing and industrial plants	$ 1,609,100
Commercial and office buildings	558,503
Hospitals and nursing homes	575,880
Colleges and universities	754,510
Primary and secondary schools	384,348
In-transit foodservice (airlines)[3]	499,901
Recreation and sports centers	556,829
Total—food contractors	**$ 4,939,071**
Lodging places	
Hotel restaurants	$ 3,618,676
Motor hotel restaurants	263,975
Motel restaurants	426,637
Total—lodging places	**$ 4,309,288**
Other commercial	
Retail host restaurants	$ 3,150,928
Recreation and sports	783,525
Vending and nonstore retailers	1,525,322
Mobile caterers	249,111
Total—other commercial	**$ 5,708,886**
TOTAL—GROUP I	**$64,115,500**

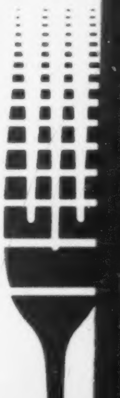
	Estimated food and drink purchases ($000)
GROUP II: Institutional Foodservice—Business, educational, governmental or institutional organizations that operate their own foodservice	
Employee foodservice	$ 869,960
Public and parochial elementary and secondary schools	3,478,048
Colleges and universities	1,440,789
Transportation	669,618
Hospitals	3,447,824
Nursing homes; homes for the aged, blind, orphans, and the mentally and physically handicapped	2,184,149
Clubs, sporting and recreation camps	843,051
Community centers	676,015
TOTAL—GROUP II	**$13,609,454**
TOTAL—GROUPS I AND II	**$77,724,954**
Food furnished foodservice employees (FSE) in Groups I and II	$ 5,023,961
TOTAL—GROUPS I, II AND FSE	**$82,748,915**
GROUP III: Military Foodservice	
Defense personnel	$ 2,189,961
Officers' and NCO clubs ("Open Mess")	241,170
Foodservice—military exchange	139,939
TOTAL—GROUP III	**$ 2,570,800**
GRAND TOTAL	**$85,319,715**

*Purchases refer to expenditures by foodservice establishments for their food and drink supplies.

[1] Data are given only for establishments with payroll.

[2] Food purchases only.

[3] Food purchases only.



Percent change in state and regional economic indicators: 1988-1989

						Eating place sales ($000)		
	State	**Population**	**Total employment**	**Manufacturing employment**	**Real disposable personal income**	**1988**	**1989**	**Percent change**
New England	Connecticut	0.7%	1.3%	0.4%	1.4%	$ 2,636,141	$ 2,833,852	7.5%
	Maine	1.1	1.4	1.0	3.6	829,541	893,416	7.7
	Massachusetts	0.9	1.2	1.0	1.9	5,512,099	5,919,994	7.4
	New Hampshire	2.3	2.6	2.4	3.2	838,023	912,607	8.9
	Rhode Island	0.7	1.0	0.8	1.3	717,839	768,806	7.1
	Vermont	1.3	1.5	2.1	1.6	412,600	447,258	8.4
	Total region	**1.0%**	**1.3%**	**1.0%**	**2.1%**	**$10,946,243**	**$11,775,933**	**7.6%**
Middle Atlantic	New Jersey	0.4%	1.2%	-0.4%	1.4%	$ 4,294,537	$ 4,565,093	6.3%
	New York	0.1	0.2	-0.5	0.9	11,089,057	11,754,400	6.0
	Pennsylvania	0.2	0.4	-0.6	1.4	6,125,655	6,505,446	6.2
	Total region	**0.2%**	**0.6%**	**-0.5%**	**1.2%**	**$21,509,249**	**$22,824,939**	**6.1%**
South Atlantic	Delaware	0.7%	0.6%	0.1%	0.7%	$ 393,016	$ 420,134	6.9%
	District of Columbia	0.2*	nc	-0.7	-0.2	755,150	794,418	5.2
	Florida	2.4	2.7	3.1	3.4	8,650,902	9,448,337	9.2
	Georgia	1.4	1.8	1.6	3.2	3,903,226	4,231,097	8.4
	Maryland	0.9	1.3	-0.1	2.0	2,922,086	3,117,866	6.7
	North Carolina	1.1	1.4	1.5	2.8	3,540,621	3,845,114	8.6
	South Carolina	1.2	1.5	1.2	2.7	1,847,245	2,000,566	8.3
	Virginia	1.2	1.7	1.5	2.7	3,671,007	3,953,674	7.7
	West Virginia	0.1	0.3	-0.8	2.1	748,175	791,569	5.8
	Total region	**1.5%**	**1.7%**	**1.5%**	**2.8%**	**$26,431,428**	**$28,602,775**	**8.2%**
East North Central	Illinois	0.1%	0.3%	-0.9%	1.2%	$ 6,840,693	$ 7,244,294	5.9%
	Indiana	0.3	0.6	-0.1	1.7	3,224,432	3,430,796	6.4
	Michigan	0.2	0.5	-0.1	1.4	5,323,251	5,647,969	6.1
	Ohio	0.1	0.4	-0.4	1.4	6,494,915	6,884,610	6.0
	Wisconsin	0.7	1.0	0.9	2.0	2,711,187	2,898,259	6.9
	Total region	**0.2%**	**0.6%**	**-0.3%**	**1.4%**	**$24,594,478**	**$26,105,928**	**6.1%**
East South Central	Alabama	0.6%	0.9%	1.5%	2.1%	$ 1,640,686	$ 1,753,893	6.9%
	Kentucky	0.6	0.9	0.8	1.9	1,947,661	2,093,736	7.5
	Mississippi	0.5	0.5	1.4	3.0	886,236	950,045	7.2
	Tennessee	0.9	1.2	0.9	2.8	2,504,171	2,679,463	7.0
	Total region	**0.6%**	**0.9%**	**1.2%**	**2.4%**	**$ 6,978,754**	**$ 7,477,137**	**7.1%**
West North Central	Iowa	0.1%	0.4%	0.4%	0.9%	$ 1,439,761	$ 1,529,026	6.2%
	Kansas	0.6	1.0	2.0	2.0	1,327,086	1,418,655	6.9
	Minnesota	1.1	1.4	1.8	2.5	2,650,303	2,846,425	7.4
	Missouri	0.5	0.9	0.5	1.9	3,095,355	3,290,362	6.3
	Nebraska	0.4	0.8	1.2	1.1	924,962	981,385	6.1
	North Dakota	0.5	0.9	3.1	3.6	315,671	336,505	6.6
	South Dakota	0.4	0.7	3.4	3.6	359,651	381,949	6.2
	Total region	**0.6%**	**0.9%**	**1.2%**	**2.0%**	**$10,112,789**	**$10,784,307**	**6.6%**
West South Central	Arkansas	0.8%	1.2%	1.7%	3.0%	$ 941,364	$ 1,003,494	6.6%
	Louisiana	0.8	1.1	0.8	2.7	2,324,048	2,470,463	6.3
	Oklahoma	1.1	1.3	2.0	3.1	1,916,915	2,047,265	6.8
	Texas	1.8	2.1	2.3	3.3	10,225,846	10,951,881	7.1
	Total region	**1.4%**	**1.8%**	**2.0%**	**3.1%**	**$15,408,173**	**$16,473,103**	**6.9%**
Mountain	Arizona	2.5%	2.9%	3.7%	3.5%	$ 2,083,164	$ 2,270,648	9.0%
	Colorado	2.1	2.5	3.3	3.2	2,466,800	2,659,078	7.8
	Idaho	1.3	1.6	2.4	1.7	449,164	483,750	7.7
	Montana	0.7	1.0	0.6	3.0	398,057	424,329	6.6
	Nevada	2.6	3.0	3.8	5.0	733,784	795,558	8.4
	New Mexico	1.6	1.9	3.6	2.3	865,419	939,845	8.6
	Utah	2.0	2.3	3.7	4.6	665,180	718,394	8.0
	Wyoming	1.9	1.8	1.5	5.9	346,707	377,217	8.8
	Total region	**2.0%**	**2.4%**	**3.3%**	**3.5%**	**$ 8,008,275**	**$ 8,668,819**	**8.2%**
Pacific	Alaska	2.0%	2.3%	3.2%	4.0%	$ 491,849	$ 525,786	6.9%
	California	1.8	2.1	2.4	2.8	21,603,833	23,237,083	7.6
	Hawaii	1.2	1.5	0.2	2.7	1,380,979	1,488,695	7.8
	Oregon	1.2	1.5	1.4	2.7	1,724,960	1,854,332	7.5
	Washington	1.6	1.9	1.8	2.7	3,093,756	3,331,975	7.7
	Total region	**1.7%**	**2.0%**	**2.2%**	**2.7%**	**$28,295,377**	**$30,437,871**	**7.6%**

*no change

Source: National Planning Association, Regional Economic Projections Series; National Restaurant Association

REGIONAL AND STATE FORECAST

Percent change in regional economies: 1988–1989

The Mountain region is forecast to have the largest increase in disposable income in 1989

Region	Population	Total employment	Manufacturing employment	Disposable personal income*
New England	1.0%	1.3%	1.0%	2.1%
Middle Atlantic	0.2	0.6	−0.5	1.2
South Atlantic	1.5	1.7	1.5	2.8
East North Central	0.2	0.6	−0.3	1.4
East South Central	0.6	0.9	1.2	2.4
West North Central	0.6	0.9	1.2	2.0
West South Central	1.4	1.8	2.0	3.1
Mountain	2.0	2.4	3.3	3.5
Pacific	1.7	2.0	2.2	2.7
Total U.S.	**1.0**	**1.2**	**1.2**	**2.2**

*in real (noninflationary) dollars

Sources: National Planning Association, Regional Projections Series; National Restaurant Association

For the ninth consecutive year, the National Restaurant Association has forecast eating-place sales for each of the 50 states and the District of Columbia. Restaurateurs can use these data to compare their sales performance with projections for their state or region.

To a great extent, eating-place sales performance depends on the economic situation in the region. Factors such as population, income, industrial mix and employment all affect restaurant sales. When a region's economy grows, its restaurant sales can also be expected to increase.

Regional highlights

☐ The **Mountain** and **South Atlantic** regions should show the strongest gain in eating-place sales in 1989—up 8.2 percent. The **New England** and **Pacific** regions should follow, with a 7.6 percent climb.

☐ The **Middle Atlantic** and **East North Central** regions are expected to post the lowest sales increase in 1989—6.1 percent.

☐ The **Pacific** region should again rank number one in the country in terms of total restaurant sales, reaching $30.4 billion in 1989. The **South Atlantic** region is forecast to place second, with $28.6 billion in sales.

☐ **Florida** is forecast to have the largest percentage increase in sales in 1989, with an advance of 9.2 percent. **Arizona** should rank second with a 9.0 percent increase, followed by **New Hampshire** with an 8.9 percent advance.

☐ **California** should lead the nation in total eating-place sales—$23.2 billion. **New York** is expected to rank second with sales of $11.8 billion, and **Texas** should come in third at $11.0 billion.

New England

Major industries

☐ High technology
☐ Defense
☐ Manufacturing
☐ Service
☐ Textiles and apparel
☐ Tourism

Outlook

☐ Employment and population for the region should grow at the national average.

☐ An overall healthy economy is expected to keep the region's construction industry strong.

☐ Manufacturing should see a boost from the high-technology rebound, a backlog in defense orders and a weaker international dollar.

☐ Although the area's textile and apparel industry is forecast to lose a share of its business to both southern producers and imports, the paper/pulp, printing and publishing industries should have another positive year.

☐ Total eating-place sales in the region are expected to reach $11.8 billion in 1989—a 7.6 percent increase over 1988.

☐ Massachusetts is again projected to account for more than half of the region's total eating-place sales, but New Hampshire is expected to lead the region in eating-place sales growth—up 8.9 percent in 1989.

Middle Atlantic

Major industries

☐ Manufacturing and heavy industry
☐ Service
☐ Tourism
☐ Finance
☐ High technology

Outlook

☐ The outlook for the region's electronics and high-technology industries is positive, as a result of increased domestic and foreign demand.

☐ Increased efficiency is expected to boost the region's steel industries.

☐ Population growth is expected to be below the national average for the tri-state area, while manufacturing employment should continue to decline.

☐ Positive growth is forecast for the area's food processing and pharmaceuticals sectors.

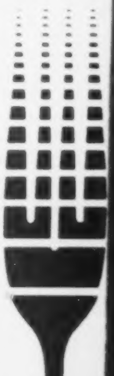
☐ Eating-place sales for the region are anticipated to grow 6.1 percent to $22.8 billion in 1989.

☐ Of the three states, New York is predicted to account for more than half of the area's eating-place sales, $11.8 billion; but New Jersey is expected to outpace New York in eating-place sales growth with a 6.3 percent advance.

South Atlantic

Major industries

☐ Service
☐ Textiles and apparel
☐ Agriculture
☐ Manufacturing



☐ Defense
☐ Tourism
☐ High technology

Outlook

☐ The region is projected to outpace the national average in population, employment growth and personal income in 1989.

☐ A winding down in defense contracts could slow the region's high-tech industry, but the paper/pulp and lumber industries should benefit from increased exports as a result of the dollar's lower value abroad.

☐ Cotton and tobacco should also see gains from the declining dollar.

☐ Plant modernization should help revitalize the textile and apparel industries, and activity in the area's seaports is expected to remain strong.

☐ Florida is expected to lead the region in total restaurant sales—$9.4 billion.

☐ Total eating-place sales should jump a substantial 8.2 percent, to $28.6 billion.

East North Central

Major industries

☐ Automobile
☐ Steel
☐ Rubber
☐ Robotics
☐ Agricultural

Outlook

☐ Population, total employment and personal income growth should advance at a slower pace than the national average.

☐ Industrial construction is expected to advance in the region, fueling growth in the stone, clay and glass industries.

☐ An improved export market should help the area's machinery sector, especially in machine tools, robotics and farm equipment.

☐ The steel industry should benefit from recent restructuring, but a slowdown in automobile production could pose some risks.

☐ Total eating-place sales for the region are projected to be $26.1 billion in 1989—up 6.1 percent from 1988.

☐ Illinois is expected to lead the region in eating-place sales—$7.2 billion.

☐ Wisconsin should lead the region in eating-place sales growth at 6.9 percent.

East South Central

Major industries

☐ Textiles and apparel
☐ Oil and gas
☐ Defense
☐ Automobile
☐ Paper and lumber

Outlook

☐ Regional population growth is anticipated to be below the national average, but manufacturing employment should increase at the same rate in the region as for the nation.

☐ Although the automobile market is projected to remain competitive, the region should benefit from increased migration of auto and related industries into the region.

☐ Lumber and forest products are expected to see a slight slowdown as new construction slows in the area, but the paper industry is expected to have a strong year in 1989.

☐ Total eating-place sales in the region should climb 7.1 percent to reach $7.5 billion.

☐ Tennessee is expected to lead the region in total eating-place sales at $2.7 billion, and Kentucky should be the leader in the region in sales growth—up 7.5 percent.

West North Central

Major industries

☐ Agriculture
☐ Aerospace
☐ Defense
☐ Farming equipment

Outlook

☐ Population, total employment and personal-income growth are forecast to be below U.S. averages for 1989, but manufacturing employment should rise 1.2 percent—the gain projected for the U.S. overall.

☐ Cuts in defense spending are expected to slow growth in some high-tech and aerospace industries in the area.

☐ The lower value of the dollar abroad is forecast to aid exports of agricultural products and farm-machinery manufacturers in the region.

☐ Regional eating-place sales are projected to climb 6.6 percent to reach $10.8 billion.

☐ Missouri should lead the region in total eating-place sales at $3.3 billion, but Minnesota is anticipated to show the largest sales growth in 1989—up 7.4 percent.

West South Central

Major industries

☐ Oil and gas
☐ Defense
☐ Chemicals
☐ High technology
☐ Finance

Outlook

☐ Despite the continued drag of the energy sector on the regional economy, the region is expected to post population, employment and personal-income gains above the national averages.

☐ Although defense spending is projected to decline, the electronics equipment manufacturing industry continues to be strong.

☐ The outlook for the region's petrochemical industry remains positive because of lower raw-material costs and a growing export market.

☐ The area's financial sector will continue to deal with the aftershocks of bad debts from energy and real estate loans.

☐ Eating-place sales in the region are projected to climb 6.9 percent, to reach $16.4 billion.

☐ Texas should post the most significant increase in eating-place sales for the region—up 7.1 percent to almost $11.0 billion.

Mountain

Major industries

☐ High technology

☐ Defense

☐ Mining

☐ Construction

☐ Energy

Outlook

☐ The region is projected to post the highest growth rates in the nation for population, employment and personal income.

☐ The lower value of the dollar abroad is expected to help the high-technology industry.

☐ Due to increased domestic industrial activity, minerals such as copper and aluminum should see stronger demand, helping the region's mining activities.

The Mountain and South Atlantic regions should show the strongest gain in eating-place sales in 1989—up 8.2 percent.

☐ Construction in the region is among the strongest in the nation, but overbuilding should continue in some localized areas.

☐ Arizona should post the nation's largest population growth in 1989—up 2.5 percent.

☐ Colorado's eating-place sales of $2.7 billion should lead the region in 1989—up 7.8 percent over 1988.

☐ Total eating-place sales are projected to be $8.7 billion in 1989, an 8.2 percent advance.

Pacific

Major industries

☐ Electronics and high technology

☐ Aerospace

☐ Defense

☐ Lumber

☐ Agriculture

☐ Tourism

Outlook

☐ Economic growth in the region should remain strong; population, employment and personal income gains are predicted to be above national averages.

☐ Construction activity should give a boost to the area's forest-products industry.

☐ Both the defense and aerospace industries should benefit from backlogs in orders.

☐ Export growth should help port activity.

☐ Total eating-place sales in the region are forecast to grow by 7.6 percent to $30.4 billion, the largest amount for any region in the country.

☐ California should lead the region and the nation, with eating-place sales of $23.2 billion—up 7.6 percent from 1988.

1988 UPDATE

Sales performance highlights

According to the National Restaurant Association's revised forecast, **foodservice industry sales** should break the $213 billion mark in 1988—a 6.7 percent increase from 1987. In inflation-adjusted terms, industry sales should rise 2.6 percent in 1988. These revised numbers are slightly below the association's original forecast because consumers saved more and spent less than anticipated in 1988. In addition, an unusually hot summer cut into sales in July and August.

Food and drink sales for the **Commercial Foodservice Group** are forecast to reach $188.7 billion for 1988, a 7.1 percent gain over the previous year, or 2.9 percent after adjusting for inflation.

Positive growth is projected for both the **Institutional Foodservice**

(continued on page 44)

How the regional forecast was prepared

The economic sales data for the states have been arranged according to the nine census regions. Included with each state are revised eating-place sales for 1988, projected 1989 sales figures and information on personal income, employment and population data. Much of the economic data in this report are based on information obtained from such sources as the Bureau of Economic Analysis, the Bureau of Labor Statistics, the National Planning Association and the Chamber of Commerce.

The estimates for eating-place sales used here were prepared in consultation with the research firm Malcolm M. Knapp, Inc. State-by-state historical eating-place sales in 1972, 1977 and 1982 form the basis for these projections. Special attention was paid to growth trends between 1977 and 1982 for refreshment places (fast food) and restaurants and lunchrooms for each state. Sales figures were then adjusted to reflect current and projected income and population data.

A few reminders

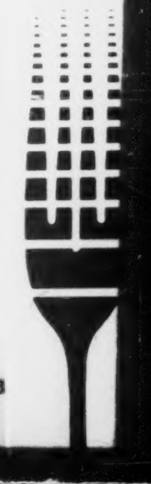
☐ Sales projections for 1989 are based on the best data available in late September and early October 1988. If the outlook for general economic conditions or the food situation changes significantly in 1989, the projections will require adjustments.

☐ Adjustments were made to arrive at a predetermined U.S. total.

☐ Sales figures for each state are subject to a larger margin of error than the national projections.

☐ Actual sales figures represent an overall allocation of total sales in the United States. Although percent changes are subject to more variation, they have been shown here as a convenience to *1989 Forecast* readers.

☐ The sales information for states and regions is for all establishments. They represent the U.S. Census definition of eating places (SIC Code 5812) and include the sales for operations with payroll and without payroll, as well as contract feeding. As a result, the sales figures for states and regions will not equal the total for eating places. Because regional projections were not done separately, regional totals are sums of state data.



Foodservice industry food and drink sales
1987-1988

	($000)		Percent change	
	1987	1988	Current dollars	Constant dollars
Commercial Foodservice Group	$176,223,823	$188,716,108	7.1%	2.9%
Eating places	128,530,951	137,443,437	6.9	2.8
Restaurants and lunchrooms	66,164,123	70,133,970	6.0	1.9
Limited-menu restaurants	55,619,092	60,124,238	8.1	4.0
Commercial cafeterias	3,674,868	3,899.035	6.1	2.0
Social caterers	1,488,806	1,596,000	7.2	3.1
Ice cream, frozen-custard stands	1,584,062	1,690,194	6.7	2.6
Bars and taverns	9,433,901	9,839,559	4.3	0.2
Total eating & drinking places	137,964,852	147,282,996	6.8	2.6
Institutional Foodservice Group	22,443,753	23,266,462	3.7	0.2
Military Foodservice Group	973,352	1,027,576	5.6	1.5
Total industry sales	**$199,640,928**	**$213,010,146**	**6.7%**	**2.6%**

Group and the **Military Foodservice Group.** Sales are anticipated to advance 3.7 percent, or 0.2 percent after adjusting for inflation, in the Institutional Foodservice Group to reach $23.3 billion. Military Foodservice sales should post a 5.6 percent increase, or 1.5 percent real gain, to reach slightly over $1.0 billion.

Overall, **sales at eating places** are anticipated to grow 6.9 percent, to $137.4 billion dollars. After adjusting for inflation, real growth is estimated to be 2.8 percent over 1987. Restaurant and lunchroom sales are expected to exceed $70.1 billion for 1988, up 1.9 percent in real terms over 1987. As was the case in 1987, fast food (limited-menu) establishment sales should grow at a faster rate—4.0 percent after adjusting for inflation, to $60.1 billion.

Traffic performance highlights

The **quickservice segment** experienced a slowdown in traffic growth. Customer counts were up 7.3 percent in autumn 1987, compared to 4.2 percent in the winter, 2.7 percent in spring 1988 and 0.2 percent in summer 1988. **Takeout** service followed a similar pattern with a 10.2 percent gain last fall, a 7.4 percent advance in winter, a 4.2 percent increase in spring 1988 and a 2.8 percent gain in summer 1988.

Midscale traffic has been flat or down since mid-1987. In fall 1987 these establishments showed a traffic decline of 0.3 percent. After a slight 0.5 percent increase in the winter, traffic dropped 2.8 percent in spring 1988, followed by a 4.4 percent decline in summer 1988. On a more positive note, **takeout** service increased dramatically, with a 17.3 percent jump last fall, a healthy 17.6 percent leap over the winter and a more modest 4.1 percent and 4.9 percent gain in spring and summer 1988.

Upscale establishments posted traffic advances in the first half of 1988, before dropping in the third quarter. Fall 1987 saw a 2.1 percent drop in traffic, but winter brought a 3.8 percent increase and spring 1988 a slight 0.7 percent gain. Summer 1988 traffic tumbled 8.1 percent. **Off-premises** upscale traffic was up 5.0 percent last fall, 7.1 percent in the winter and 6.6 percent in spring 1988. However, during summer 1988, traffic declined 6.0 percent.

—Nancy Michalski
—Susan Mills
—Sebastian O'Kelly
—Claire Regan
—Hudson Riehle

How the 1989 forecast was prepared

The National Restaurant Association's projections for 1989, revised projections for 1988 and final estimates for 1986 are published here. Comparable historical sales data encompassing the 15-year period from 1970 through 1984 have been published in *Foodservice Numbers.*

The association's annual industry forecast for 1989 includes both nominal and real percent changes in sales for all industry sectors. Real growth is calculated separately for each market segment. In the case of eating places, the projected percent increase in menu prices is subtracted from the percent increase in sales. For drinking places, it is necessary to make a special estimate of the inflation factor, which is weighted more heavily toward alcoholic beverages.

For other industry sectors, such as colleges and universities, where expenses are largely determined by food costs, a modification of the Producer Price Index of food is used. Modifications to this index are based on historical patterns for each industry sector. The food-cost component constitutes the base percent increase, which is adjusted to reflect population changes and other pertinent factors, such as labor and overhead costs.

To arrive at 1989 real sales figures for the total foodservice industry as well as for the Commercial and Institutional Foodservice Groups, current 1988 sales were multiplied by the respective 1989 real growth factors. The real sales figures for each of these sectors were added, then compared with 1988 sales to obtain overall real growth for the industry and the two major segments.

A word of caution

Sales projections are based on the best data available in late September and early October 1988. If the outlook for general economic conditions or the food situation changes significantly in the coming year, these projections will require adjustment. In addition, the performance of individual companies or sales in local market areas may differ substantially from the outlook for the entire nation.

1 NEW ENGLAND

Location: New Haven, CT
Association members: Henry Milone, Corey Baker, Houston Striggow
Operation: Bruxelles Brasserie and Bar
Profile: Bistro-style restaurant
In business: 2½ years
Seats: 150
Meals served: Lunch, dinner, Sunday brunch

Bruxelles Brasserie and Bar is in New Haven's theater district—an area that has seen the pilot opening of many Broadway hits. The theatergoers who enjoy a meal before or after the show find Bruxelles a lively, fun place, according to **Houston Striggow,** director of operations for the company that owns the restaurant. Diners enjoy watching their food being prepared in the French-built rotisserie ovens. While they wait, they can doodle with restaurant-provided crayons on the butcher paper that covers the tables.

The theater season, from September to May, is the busiest time; that's also when Yale, New Haven's other prime attraction, is in session.

2 MID-ATLANTIC

Location: Stockholm, NJ
Association members: Richard and Charlotte Jorgensen
Operation: Jorgensen's
Profile: Steakhouse
In business: 39 years
Seats: 375
Meals served: Dinner on weekends

Jorgensen's is modeled after the old New York steakhouses. It serves large cuts of top-grade meat—pork chops over an inch thick, beef cut 10 slices to a 24-pound rib roast—as well as fish so fresh "they're still flopping when the chef brings them in."

Jorgensen's is open for dinner only on Friday, Saturday and Sunday. "Business is doing very well. I could do more if I advertised, but I'm not trying to set any more records; I already did that," owner **Richard Jorgensen** says, referring to the days when he was open six days a week.

Situated in Bergen County—in a little village near New York City and Newark—Jorgensen's draws its customers from a 100-mile radius. They come to enjoy the scenery as well as food and atmosphere. A collection of brass and iron street lanterns from London and Copenhagen flank the restaurant's three fireplaces.

Our restaurant feeds the world on December 26

Region 2 special

by Joseph Laws

The last thing that most Americans want to be reminded of when they sit down to order in a restaurant specializing in extra-large portions of juicy prime rib and succulent crab cakes is the specter of starving families in Bangladesh or Ethiopia.

But the Country Oven has successfully managed to raise thousands of dollars every year for "Bread for the World" and "Oxfam America"—two organizations at the forefront in the fight against hunger throughout the world—by getting hundreds of people to come and enjoy a lavish meal at our restaurant.

This started back in 1980, when my brother and partner Tim Laws was struck with the magnitude of the tragedy of famine in Africa and suggested that we do something to focus the local public's awareness on what he felt was the number-one problem confronting mankind—hunger. (It's been estimated that as many as 30 million people die each year of hunger and hunger-related causes.) As businessmen, we also liked the idea of the goodwill and exposure our business would receive in the community as a result of our efforts to help the starving.

So we designated the Monday after Christmas as the "Day for the World's Hungry," and decided to donate all revenue from sales that day to the two famine-relief charities. We picked that day because it was usually a fairly slow day in a generally slow period—a week between holidays and after all the Christmas parties.

The first year we raised $1,750. Since that time, due in part to the favorable publicity we received from television, radio and newspapers, we have been able to raise more than $7,000 on our "Day for the World's Hungry," and the amount increases each year. In addition to the much-needed money, we provided untold thousands of dollars' worth of publicity for the hunger-related charities. Ironically, due in part to the residual effect of all the favorable publicity, the period between Christmas and New Year's Eve is now our busiest week of the year.

The total endeavor required only a letter describing our event to each TV station, radio station and newspaper in our area and, afterwards, a follow-up letter expressing our thanks and indicating the amount of money raised. We have been interviewed for prime-time TV news programs and for radio stations' news broadcasts numerous times. Additionally, a number of newspapers carried articles about our efforts.

The publicity and excitement of the event have magnified the results by influencing the public to do its own part to solve the problem, and by enabling us to donate more money because of the increase in business. All in all, we feel that our cost/benefit ratio in terms of humanity and business is well worth the effort.

Joseph Laws is co-owner of the 300-seat Country Oven Restaurant, which is part of a Best Western Motel in Linglestown, Pennsylvania. His restaurant generates $2.5 million in sales annually.

3 SOUTH ATLANTIC

Location: Raphine, VA
Association member: Margaret P. White
Operation: White's Truck Stop
Profile: Restaurants in truck stop
In business: 18 years
Seats: 182
Meals served: Breakfast, lunch, dinner

Three dining rooms, one a cafeteria and two with table service, are part of White's Truck Stop, which is almost a city in itself. Since the truck stop is located along Virginia's scenic Blue Ridge Parkway, as many as 23 tour buses stop by in one day during the foliage season. During the busiest times, the restaurants, open 24 hours a day, serve between 1,500 and 2,000 meals a day.

Margaret (Peggy) White, owner and restaurant manager, offers home-cooked food, including such regional specialities as Peanut Butter Pie and a peanut "goober" soup. Another big seller is a spicy Cajun dish of chicken wings with red beans and rice called *Wings of Fire.*

4 EAST NORTH CENTRAL

Location: Decatur, IL
Association members: Don McKinney, Wayne Briggs
Operation: The Blue Mill
Profile: Upscale restaurant
In business: 62 years
Seats: 360
Meal served: Dinner

The Blue Mill caters to the Midwest's taste for beef by specializing in prime rib and steaks. A large tossed green salad with dressing made on the premises usually accompanies the entrees.

Diners eat in one of four dining rooms, each furnished in a different style and each featuring some of the restaurant's 50 antique clocks. It is manager **Wayne Briggs'** job to wind them and make sure they are all on time.

The Blue Mill is 10 blocks west of downtown Decatur, an industrial town 180 miles south of Chicago. The town's many companies offer employment to a large blue-collar population, which gives the area a steady economy. Still, business at the restaurant suffered this summer from the excessively hot, dry weather. "People just didn't want to go out," notes Briggs.

5 EAST SOUTH CENTRAL

Location: Hattiesburg, MS
Association members: Arthur Lovett, Robbie Taylor, Steve Swaidner, Tim Wilks
Operation: Mississippi's
Profile: Restaurant and lounge
In business: 2 years
Seats: 300
Meal served: Dinner

Mississippi's draws a mixed crowd of students from the nearby University of Southern Mississippi and older residents. "Business is good," says assistant manager **Robbie Taylor.** "We're full every weekend."

Those who come to eat and drink (and dance to music played by a disc jockey) can choose a full dinner or one of the popular po'-boy sandwiches. Both feature fresh shrimp and oysters from the gulf, only 70 miles away.

6 WEST NORTH CENTRAL

Location: Coffeyville, KS
Association members: Bill Hulsey, Ray Hulsey
Operation: George's Cafeteria
Profile: Cafeteria
In business: 37 years
Seats: 185
Meals served: Lunch, dinner

Travelers stopping at George's Cafeteria can't believe that the small town of Coffeyville, near the Oklahoma border, can house such a spacious, modern restaurant with such a varied menu, says manager **Bill Hulsey.** For an average check price of $4.25, farmers, businesspeople and families can choose from a selection of five meats, seven vegetables, 10 to 12 varieties of pies and 10 to 12 salads—all made from scratch.

According to Hulsey, the economy of Coffeyville—dependent on industries, farming and oil—has been depressed for the last three or four years, and the cafeteria business has suffered as a result. "But it's improving slowly," he says.

7 WEST SOUTH CENTRAL

Location: Lake Charles, LA
Association members: Robert Young, Sis White, Rosie Tower
Operation: The Boarding House Incorporated
Profile: Airport coffeeshop, catering
In business: 3 years
Seats: 45
Meals served: Breakfast, lunch

The Boarding House coffeeshop, located in Lake Charles' small airport, is open only until 6 p.m. each day. It serves the usual breakfast dishes plus sandwiches, made-to-order salads, desserts and a plate lunch.

The smallness of the airport and its location outside of Lake Charles, a town situated in the southwest corner of Louisiana, has meant the restaurant's owners have relied on their catering business to bolster earnings. They do mostly off-site catering to homes and businesses, using their airport kitchen to prepare the food. Although the loss of one airline has meant a drop in coffeeshop customers, the catering business is doing very well, reports vice president **Robert Young.**

8 MOUNTAIN

Location: Centennial, WY
Association members: Pat Self, Sandy Pendleton
Operation: Pat's Old Corral
Profile: Steakhouse with adjoining motel
In business: 42 years
Seats: 110
Meals served: Lunch, dinner

"It's amazing how we serve so many people when we're in the middle of nowhere," says manager **Sandy Pendleton,** referring to the 36,000 customers who come to the restaurant in the tiny town of Centennial (only 100 people) at the foot of the Snowy Range each year. Fishermen, hikers and scenery-lovers constitute the backbone of the business, but winter brings in skiers and snowmobilers.

The beef, which is the specialty, has won state and national awards, including "best beef in Wyoming." Dinners are served individually or family style; for example, *The Sirloin Dream,* a whole top-cut sirloin, can be ordered for two to four people. Buffalo burgers are also very popular.

9 PACIFIC

Location: Seattle, WA
Association members: Leon Torrey, Rosie Gates Malone
Operation: Eggs Cetera
Profile: Midscale restaurant
In business: 12 years
Seats: 67 plus 20 on patio
Meals served: Breakfast, lunch, dinner

As its name suggests, Eggs Cetera is known for its egg dishes—and, in fact, began as a breakfast-only establishment. But today it serves other dishes as well; and some of these have won awards, such as an apple pie with a whole-wheat crust.

Patrons like to eat their meals near the restaurant windows where they can look out on the colorful Broadway area of Seattle, home of little shops, theaters and restaurants. "Business is up 20 percent from last year; we've had our best year ever," says manager **Rosie Gates Malone.** *—Julie Fintel*

No-smoking policy works

The Shorebird restaurant in Princeton-by-the-Sea, California, has had its no-smoking policy in effect since April. The restaurant struggled with the smoking versus nonsmoking issue for two years before management decided to limit smoking to the lounge. "We do regular surveys of our customers, and it seemed like everybody wanted nonsmoking sections," co-owner Bill Gillespie says. But simply adding nonsmoking sections was a difficult option for two reasons: (1) the possibility of long lines of customers waiting to be seated in a certain section and (2) employees' resistance to being stationed in a smoking section. "We decided it had to be all or nothing, and we think we made the right choice," Gillespie claims.

According to Gillespie, overall customer response has been very positive. "We've had some complaints and we did lose a few regular customers, but we feel it's worked well."

The Shorebird has made some changes to accommodate its smoking customers. It offers to hold up courses for customers who might want to take a smoking break, and it offers to bring coffee and dessert right into the lounge for smokers who crave that after-dinner cigarette. "We want to treat everyone special," says Gillespie.

—*Restaurants USA*
interview

Wendy's is charged by INS

Davco Foods, Inc., which holds the franchise for 106 Wendy's restaurants in the Washington DC area, pleaded guilty in November to charges by the Immigration and Naturalization Service (INS) that it employed illegal aliens. It was the first criminal conviction by the INS under the Immigration Reform and Control Act of 1986.

A six-month investigation of two of the Wendy's units revealed that at least 20 illegal aliens had been employed since June 1987. The company was fined $3,000 for each illegal alien.

Davco says it is now in compliance with the immigration laws.

—Washington Times

IBM offers employees flexibility

In October, IBM announced a greatly expanded program of benefits—benefits that will help its employees balance their work and home lives. The new program includes a leave of absence of up to three years, greater flexibility in work hours and the opportunity to work at home.

IBM surveyed its diverse employee base, which includes working women, dual-career couples, single parents and mature workers who may want to start a second career, and found that the employees' greatest need was for increased flexibility. IBM believes that meeting this need will counter the shortage of skilled workers that demographers are predicting over the next 11 years. The long-range goal of the new program is to foster loyalty and increase productivity—two things the company considers crucial to remaining competitive into the year 2000.

—Washington Post

The oat-bran bandwagon

Oat bran may be the new "wonder grain," if sales are any indication. Bakeries and takeout restaurants across the country are having trouble keeping oat-bran muffins on their shelves, because customers believe they will help lower cholesterol levels.

Scientists have known for 25 years that oat bran is a soluble fiber that absorbs water during the digestive process and renders cholesterol unabsorbable. But recent studies showing how diets including oat bran reduce cholesterol levels have people scrambling for products made with oat bran—especially muffins, which are more appealing than a cold bowl of cereal.

Nutrition experts say that to get the benefits from oat bran you must eat it every day in large amounts. But they also say that if you switch from high-cholesterol breakfast foods to oat-bran muffins, it is certainly a change for the better.

—New York Times

Diner resurgence continues

The resurgence of diners shows no sign of abating. The founder of The American Cafe, Bob Giaimo, has a new project on the horizon—a chain of stainless-steel diners, the kind that were part of the landscape in the 1930s and 1940s. The first "Silver Diner" is expected to open by the end of the year in Rockville, Maryland. Constructed by Kullman Industries of New Jersey, an original manufacturer of prefab diners, the diner will feature mahogany booths, pullman-shaped windows, neon signs and a 6-foot clock tower placed outside. Giaimo hopes to open two more Silver Diners by the end of 1989 and wants to expand to other cities within five years.

Even though Giaimo plans to take advantage of the diner's popularity, he doesn't want his operation to become another "yuppie haven." He is targeting customers—especially families—who want high-quality food at a reasonable price.

—Washington Times

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Basic Foodservice Courses

Dining Room Management

1/24	Boston, MA
1/25	Hartford, CT
1/31	San Francisco, CA
2/1	Los Angeles, CA
2/7	Honolulu, HI
2/21	Rochester, NY
2/22	Pittsburgh, PA
2/28	Portland, OR
3/1	Seattle, WA
3/14	New York, NY
3/15	Burlington, VT
4/4	Atlanta, GA
4/5	Orlando, FL
4/10	Virginia Beach, VA
4/18	Grand Rapids, MI
4/19	Milwaukee, WI
5/2	Washington, DC
5/21	Chicago, IL (Show)
5/29	Calgary, Alberta
5/30	Vancouver, BC, Canada

Increasing Sales

5/21	Chicago, IL (Show)

Kitchen Management

1/23	Louisville, KY
1/24	Jacksonville, FL
1/30	Williamsburg, VA
2/1	Little Rock, AR
2/6	Minneapolis, MN
2/7	Milwaukee, WI
2/23	Savannah, GA
3/5	Shreveport, LA
3/6	Atlanta, GA
3/14	Detroit, MI
4/10	Manchester, NH
4/11	Burlington, VT
4/17	Washington, DC
4/24	Austin, TX
4/25	Fort Worth, TX
5/8	Portland, OR
5/9	Seattle, WA
5/16	Colorado Springs, CO
5/21	Chicago, IL (Show)

Food Production Courses

Handling Fish and Seafood

3/7	Toronto, Ontario Canada

Perfecting Your Culinary Skills

5/21	Chicago, IL (Show)

Soups and Sauces

5/21	Chicago, IL (Show)

Foodservice Management Courses

Banquet Management

1/24	Orlando, FL
1/26	San Antonio, TX
2/7	Baltimore, MD
2/8	Charlotte, NC
3/7	Colorado Springs, CO
4/11	Covington, KY
4/12	Detroit, MI
5/21	Chicago, IL (Show)

Do-It-Yourself Public Relations

5/21	Chicago, IL (Show)

Food Cost Management

1/24	Orlando, FL
1/25	Atlanta, GA
2/7	Denver, CO
3/6	Washington, DC
3/14	Berkshires, MA
3/20	Pittsburgh, PA
4/11	New Orleans, LA
4/25	Valley Forge, PA
4/26	Rockville, MD
5/21	Chicago, IL (Show)

Hiring In a Tight Labor Market

2/13	Toronto, Ontario, Canada
5/21	Chicago, IL (Show)

Menus That Sell

5/21	Chicago, IL (Show)

Off-Premises Catering

1/24-25	Philadelphia, PA
2/6-7	Boston, MA
3/7-8	Louisville, KY
3/28-29	Tyson's Corner, VA
4/4-5	Chicago, IL
4/25-26	San Antonio, TX
5/3-4	Miami, FL

Planning Successful Buffets

2/20	Orlando, FL
3/6	Burlingame, CA
3/7	San Diego, CA
3/20	Baltimore, MD
4/3	Grand Rapids, MI
4/4	Minneapolis, MN
4/17	Hartford, CT
5/8	Boston, MA
5/21.	Chicago, IL (Show)

Profitability

1/23	Toronto, Ontario
2/15	St. Louis, MO
2/16	Cincinnati, OH
3/21	Washington, DC
3/22	Buffalo, NY
4/3	Portland, ME
4/5	Boston, MA
4/6	Philadelphia, PA
5/21	Chicago, IL (Show)

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If your company is interested in our in-house programs, call or write to the attention of Jeff Harrison at the above address.

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4/5-7	Orlando, FL

Food Purchasing Managers

5/18-19	Chicago, IL

Internal Auditors

3/14-17	Sanibel Island, FL

Labor Relations

2/16-17	Los Angeles, CA

Large Independent Operators

1/31-**2**/3	New Orleans, LA

Large Independent Operators

1/31-**2**/3	New Orleans, LA

Management Information Systems

4/18-21	San Antonio, TX

Marketing Executives

5/17-29	Chicago, IL

Multi-unit Architects, Engineers and Construction Officers (MAECO)

5/17-19	Chicago, IL

Quality Assurance

4/26-28	Cincinnati, OH

Safety Officers

1/18-20	Scottsdale, AZ

Tax Executives

4/5-7	Orlando, FL

For more information on specific study groups, contact: Philip Kralovec, (312) 853-2525.

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The Congressional Leadership Forum Brings Politics and People Together

The National Restaurant Association's Congressional Leadership Forum (CLF) brings Congress closer to the foodservice industry. One example of a CLF-funded event is the annual **Congressional Visit Program**,which brings over 20 members of Congress to Chicago each spring to tour exhibits at the National Restaurant Association's Restaurant, Hotel-Motel Show. Escorted by constituent restaurateurs and suppliers, legislators see firsthand the enormous array of products and services the foodservice industry offers.

Association Director Bernie Schreiner with Wisconsin representatives Tom Petri and Steve Gunderson

NATIONAL
RESTAURANT
ASSOCIATION

CONGRESSIONAL LEADERSHIP FORUM

Participating in the Congressional Leadership Forum enables you to influence political decisions that affect your business. Some CLF programs include:

- **The Congressional Visit Program**, during which the association hosts over 20 members of Congress at the annual trade show in Chicago.
- **The Public Affairs Conference**, which brings together hundreds of restaurateurs, suppliers and congressional representatives for three days to learn about issues. One conference highlight is the "Chef d'Oeuvre" congressional reception featuring foods from top Washington restaurants.
- **First Thursday Meetings**, during which foodservice industry lobbyists meet to hear from congressional or other speakers.
- **National political party programs**, which give the association a chance to interact with national leaders.
- **"Meet and Greet" candidate receptions** that introduce political candidates to industry representatives and the Washington political community.

PRESIDENT'S REPORT

Jim L. Peterson, President and Chief Executive Officer
Whataburger, Inc., Corpus Christi, TX

Association proposes new legislative agenda

The 101st Congress convenes in Washington this month, and we intend to inject a new agenda into the old political debate. With the budget deficit looming large over any proposed legislation, groups such as ours must prepare alternatives to proposals in which business becomes the source of funds for mandated social programs. Three specific alternatives are included in our strategy.

First, we support the expansion of the Earned Income Tax Credit (EITC) in lieu of an increase in the minimum wage. The EITC is an automatic tax credit added to the weekly paychecks of low-income workers. Originally enacted in 1975, the EITC entitles families with less than $6,080 in annual earnings to a 14 percent credit. The subsidy decreases as income increases, disappearing entirely at $15,423.

Last year, Representative Thomas Petri (R-WI) proposed that the EITC be increased and linked to family size. We will fight for passage of the proposal in the 101st Congress. Unlike a minimum-wage increase, which would cause a reduction in employment of the working poor, raising the EITC would encourage people to seek employment without forcing businesses to foot the entire bill for the program.

Another association priority is to encourage Congress to look beyond proposals for mandated parental leave to the broader and more vital subject of child care. This is an important issue to us because, with more daycare facilities available, more parents will be free to join the work force.

We are calling for a child-care-legislation package developed by all concerned parties. This package should ease the liability-insurance problem and make it feasible for related businesses to jointly sponsor child-care facilities. We seek laws that will facilitate, not mandate.

We also support the development of alternative legislation that would reduce health-insurance costs for small companies. The cost of mandated health benefits proposed in Congress last year would have wiped out many small foodservice businesses. Instead, we will pursue legislation that would make it possible for growing small businesses to offer reasonable health care for their employees when they are ready to do so.

As you can see, we are forecasting an active legislative year.

We are making strides in recruitment

The association is taking a major step toward the recruitment of a quality labor force for our industry. This month's symposium, "Foodservice Employment 2000," represents an unprecedented meeting between foodservice employers and representatives of employment groups. In coming months, we will share with you the ideas developed at this conference.

Come to the wine festival

The association's Monterey Wine Festival Vintage '89 will be held March 12 to March 14, 1989, in Monterey, California. Now in its 13th year, the Monterey Wine Festival has earned a reputation as the biggest, best and oldest wine festival in California and the largest of its kind in the United States. The festival attracts more than 1,200 attendees from 35 states, Canada and Japan. Attendees will be able to meet and speak with winemakers who are setting the pace for wine production across the nation and around the world.

Don't miss INFO '89

Just before the Monterey Wine Festival, the annual Independent Foodservice Operators (INFO) Conference will be held, also in Monterey. Experts, authors and successful independent restaurateurs will be featured during the two-day program, which will examine trends, techniques and strategies for menu merchandising, marketing, hiring, training and service. As a benefit to operators who want to attend both the Monterey Wine Festival and INFO '89, a discounted registration fee is offered. For more information, contact the Educational Foundation of the National Restaurant Association at (312) 715-1010 or 1-800-522-7578.

Great Menu entries due February 28

Send in your entries soon for the association's annual Great Menu Contest. Winning menus will be displayed at the association's annual Show in Chicago. All menu entries must be received by February 28, 1989.

Welcome new members

To the 100 members who joined the association in December, we welcome you and look forward to working with you on behalf of the foodservice industry.

Sincerely,

Jim L. Peterson

Jim L. Peterson
President and Chairman of the Board

RESTAURANTS USA

COVER STORY: UNCORKING NEW IDEAS

The basics of good restaurant management don't change from year to year, but there are new ways to approach them. This issue of ***Restaurants USA*** presents some key tableservice trends as well as fresh perspectives in the areas of food, atmosphere and service.

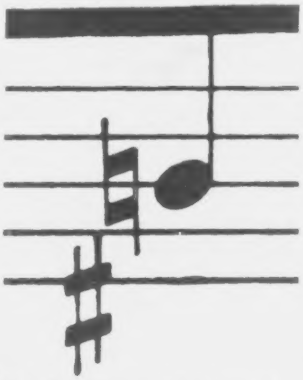
SPECIALS

12 Tableservice trends in 1989
If you're a tableservice operator, here's an overview of some developments you'll want to watch: takeout, sous vide, competition and service charges.

14 How am I doing, Boss?
You can't motivate your staff unless they know what's expected of them. Regular performance appraisals provide an effective way to keep your staff on target—and your service as you want it to be. This article kicks off ***Restaurants USA's*** "year of the employee." It is the first in a series of articles on hiring, training, motivating and retaining a capable work force.

17 New vibrations
Music technology has taken off in the past decade, and restaurateurs can use that technology to enhance the ambiance of their operations.

22 Japanese singalong goes American
At a restaurant in Los Angeles, customers get up on stage and sing after supper. It may sound strange, but karaoke—an electronic musical accompaniment that originated in Japan—may have a bright future in the United States.



26 Cookbook explosion
What's happening to cookbooks? There are more of them than ever before, and they cover food preparation in new ways. Here's an overview, plus some pointers on what to look for in a cookbook and how to go about getting your own cookbook published.

30 Viewpoint: Medal-hungry wines can steal the limelight away from your menu
Wines that have won medals at prestigious competitions aren't necessarily the right wines to complement your menu.

32 Sweet alternatives—low-fat, low-cal desserts that taste good
Customers watching their weight or fat and cholesterol levels don't have to feel cheated out of dessert any longer. Chefs and nutritionists share their recipes for delicious low-fat, low-cal dessert alternatives that were created through innovative substitutions and experimentation.

Cover photo by Gary Landsman

DEPARTMENTS

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- ☐ ***Restaurants USA*** inaugurates a new column to review regional trends. This month the focus is on delivery

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- ☐ September/October 1988

45 How's Business
- ☐ A report of regional business trends, with a special story about a hotel in Texas that ran a contest for its employees to create mocktails

47 Food for Thought

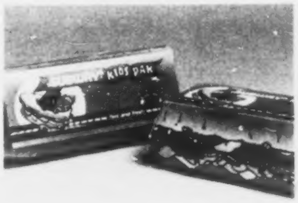
SHORTORDERS

Subway rolls out "kids pak"

After a successful market test of a children's meal, Subway Sandwiches and Salads has rolled out the program chainwide.

Independent tests with franchisees in the Chicago area encouraged Subway to introduce an official test children's meal promotion in Subway shops in southern Florida, Utah, Arizona and West Virginia. The test included an illustrated "Adventure" children's meal carton and accompanying sticker premiums. Subway made the move to the "kids pak" in an effort to broaden its demographic appeal and to capture a share of the lucrative children's market.

Admark, Inc., developed Subway's Kids Pak to hold a Subway 6-inch sub, two napkins, a cookie and a DinoMotion® trading card (one of five) filled with fun dinosaur facts and riddles. The Kids Pak carton is designed to resemble a sub sandwich and includes crisp, colorful graphics appealing to both children and adults.



Call for Great Menu entries

Your menu could be a winner in the National Restaurant Association's 26th annual Great Menu Awards Competition. Winning menus become models for the entire industry, and they will be displayed at the National Restaurant Association Show in Chicago in May as well as in a hardback, four-color book.

For an application form, contact the association's communications department at 1-800-424-5156 or (202) 331-5900. The deadline for entries is February 28, 1989.

QE2 debuts onboard training center

Onboard superliner QE2, new Cunard fleet staff learn the finer points of luxury service during a four-day training program at sea—a cruise industry first. Cunard plans to extend the program to other shipboard staff positions.

Great American Chef Series at Sullivan College

Marcel Desaulniers conducts a cooking demonstration as part of the Great American Chef Series at the National Center for Hospitality Studies at Sullivan College in Louisville. This new quarterly program is designed to expose culinary students to nationally known chefs and their creative and innovative methods of operation in the kitchen.

Nursing-home insurance for association members

Most people neglect to consider that the good health and vigor they now enjoy will eventually leave them as they age, or that an accident or illness may suddenly deprive them of their health.

Extensive long-term health care is usually provided by a nursing home. But the expenses of skilled nursing-home care are staggering. They range from $15,000 to $50,000 per year. And like most health-care and medical expenses, the cost keeps rising. Most people cannot afford an expense of that magnitude.

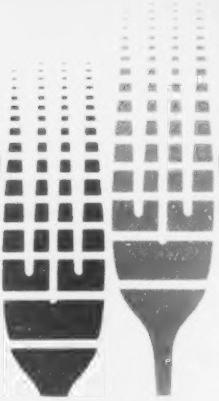
The sad truth is that nearly 44 percent of all the money spent on nursing homes comes from the patients themselves. Medicare does not pay for most nursing-home care. Medicare benefits include payment for the first 20 days of skilled nursing-home care (in an approved Medicare facility following release from a hospital) and only for convalescent care—not custodial care. For days 21 through 100, Medicare expects recipients to pay $67.50 per day, and Medicare picks up the remainder of the expense. After day 100, Medicare pays nothing. Public sources, such as Medicaid, are only available to the very poor.

To address the insurance needs of long-term health care, the National Restaurant Association now sponsors a nursing-home insurance plan—*50+ Long Term Care, A Nursing-Home and Home Health Care Plan.* Members and spouses (and their parents) under age 80 are eligible to apply.

The plan pays up to $80 per day for covered nursing-home confinements, regardless of the type of facility (skilled, intermediate or custodial), plus up to $40 per day for health care at home. Insureds may choose the length of time their benefits are to be payable, up to four full years.

Premiums are based on the applicant's age upon entry to the program. They do not increase with age! So the sooner a member applies, the lower the rate will be for as long as he or she is insured.

For further information about the new plan, write the association's insurance administrator: Albert H. Wohlers & Co., NRA Group Insurance Plans, 1440 N. Northwest Highway, Park Ridge, IL 60068-1400. Or call toll free: 1-800-323-2106; Illinois residents: (312) 803-3100.



Taped recipes to benefit Child Abuse Prevention Foundation

San Diego's popular Sicilian restaurant Busalacchi's has produced a 60-minute audiotape of some generations-old recipes to benefit the Child Abuse Prevention Foundation.

Kathi Diamant, co-host of SunUp, Channel 8's popular morning show, appears on the tape with chef Joe Busalacchi, making the recipes come to life for the home gourmet. The cassette, "Busalacchi's Sicilian Favorites," features some of the most popular dishes the restaurant serves, such as *Pasta al Palermo*, pasta with a rich sauce of ground sausage, olives, capers, garlic and chili peppers; *Chicken alla chef*, which is a boneless chicken breast topped with thin slices of eggplant, prosciutto and mozzarella cheese, simmered in whipping cream; and *Pasta pomodoro*, pasta covered in a rich sauce of fresh tomatoes, herbs and spices.

The tape, which sells for $6.95, comes with printed recipe cards for the kitchen file box.

Goodbye to MCI discount

MCI has withdrawn the 10 percent discount it was offering association members on their long-distance calls. The reason? Not enough calls made to qualify the association as a "commercial affinity group." Association members were required to ring up an aggregate billing level of $42,000 per month, or roughly $75 per participant.

Officers discuss 1989 trends at press conference

National Restaurant Association officers Jim L. Peterson, Harris H. "Bud" Rusitzky and Michael Hurst met last month with reporters from both trade and consumer publications and outlined the issues, trends and economic factors that will drive the foodservice industry forward in 1989.

"1989 will be our industry's ninth consecutive year of real growth," association president Peterson told reporters assembled at the breakfast press conference, held at New York's "21" Club. "According to National Restaurant Association projections, industry sales should reach $227 billion in 1989," he said. Peterson added that growth in 1989 will be slower than in previous years because of general deceleration of the national economy.

Peterson also discussed three specific issues that will influence industry performance in 1989: the political climate, foodservice packaging and increased foreign expansion among major chains.

"1989 will be the year in which we inject new ideas into the old political debate," Peterson said. He announced association support for the Earned Income Tax Credit, increased congressional emphasis on child-care programs, and legislation to reduce health-care costs for small businesses. "These are far better solutions than the mandated wages and benefits advocated by labor," Peterson said.

With regard to foodservice packaging, Peterson applauded a program sponsored by the foodservice packaging industry to eliminate CFCs from the package manufacturing process by December 31, 1988. CFCs are believed to be harmful to the earth's ozone layer. "Consumers can be confident that foodservice packaging produced after that date is manufactured in an environmentally sound fashion," Peterson said.

In discussing globalization of the industry, Peterson predicted that major chains would intensify their expansion efforts in foreign countries in 1989. "Canada, by virtue of its proximity and cultural similarities, will continue to be the country most favored for expansion," he said. "But other countries, such as Japan, Australia, European countries and even countries behind the Iron Curtain, will present new growth opportunities."

Rusitzky discusses nutrition

Association vice president Rusitzky spoke to reporters about nutrition in foodservice, announcing the results of a just-completed association study that found that a significant proportion of major chains either use vegetable oil or vegetable shortening exclusively for frying or a blend of both vegetable and animal fats. "Only five of 28 companies surveyed say they use animal fat exclusively for all types of frying," Rusitzky said. "The time is approaching when consumers will be able to order any fried item in a fast food restaurant confident that it has been prepared in a relatively unsaturated fat."

Rusitzky also outlined the industry's efforts to help the homeless and hungry, citing programs such as Second Harvest and SOS (Share Our Strength) that involve foodservice operators in relief programs. And he discussed the labor shortage faced by many operators, saying that many restaurateurs are combating the problem with aggressive recruitment of key demographic subgroups.

Hurst describes sous vide

Association treasurer Hurst familiarized reporters with sous vide, the cooking method that many in the industry will be talking about in 1989. Hurst emphasized that although sous vide is credited with increasing food preparation efficiency and enhancing taste, the FDA has urged operators who use sous vide to develop and follow "good manufacturing practices" (gmp). "In 1989, we expect to see increased research and development of sous vide," Hurst predicted.

Hurst also addressed the increase in upscale takeout, saying that "fast food operators aren't the only ones catering to consumer demands for convenience."

And he discussed tableservice trends likely to take hold in 1989—namely, an increase in non-smoking sections, more established policies for dealing with reservation no-shows and more debate on the issue of tips vs. service charges.

—Anne Papa

1989 legislative outlook

The National Restaurant Association begins the legislative year wary of hard-to-miss "yellow lights" on the road ahead, including a new President, a strengthened Democratic presence in Congress and an intractable budget deficit. These factors guarantee a tough time for business lobbying efforts in 1989.

Most political experts predict that Democrats will not wait long after the 101st Congress convenes January 3 to reintroduce plans to increase the minimum wage and require employers to give workers time off to care for newborns and seriously ill children. These proposals have been gaining momentum since the Democrats recaptured the Senate in 1986, and they came close to passing in 1988's final legislative days.

And although a two-year budget pact negotiated by Congress and the White House in 1987 took some of the steam off revenue-raising pressure last year, the issue of how to cut the deficit will go on the front burner early in 1989. Business groups will be closely watching the 101st Congress's tax debates.

A new political equation

One "unknown" in the political equation is President Bush. Bush, who began meeting with leading members of Congress soon after the November elections, is a negotiator who operates without the unyielding ideological mindset of his predecessor. Observers call Bush conciliatory and predict that he will be more likely than Reagan to look for alternatives or compromises on sensitive issues. Unlike Reagan, whose repeated veto threats helped stall most of organized labor's agenda over the last eight years, Bush is likely to come to the bargaining table more often.

In September, for example, Bush indicated he would be willing to back a small minimum-wage increase if a lower training wage for new hires were included in the package. On the campaign trail, Bush also spoke up for time off for new parents, but never delivered specifics on what kind of parental-leave proposal he would accept. Although Bush repeatedly opposes the concept of mandated benefits, his vague backing of some form of parental leave or a higher minimum wage leaves many businesspeople wondering how he will react to legislation in these areas.

In Congress, Democrats made slight gains in both the House and the Senate, picking up three seats in the House of Representatives to bring their controlling margin to 260-175. Democrats gained one seat in the Senate, where the ratio now stands at 55-45. Although these gains are relatively small, many Washington DC insiders expect a more activist Congress in 1989.

Budget deficit will color all activity

Faced with legal requirements to reduce the annual budget deficit to $0 by 1993, Congress can hardly make a move without weighing the budget implications. Under the Gramm-Rudman-Hollings deficit-reduction law, Congress is required to cut the annual deficit by a specific amount each year between now and 1993. Failure to do so triggers automatic across-the-board spending cuts.

Foodservice operators will see the result of this budget-conscious attitude in two areas: the drive to raise taxes and intensified federal pressure on private businesses to pick up the costs of expensive social programs.

The National Restaurant Association is taking early steps to prevent Congress from trying to cut the deductibility of business meals, a popular revenue-raising "scapegoat." The association's Business Meal Task Force, which began meeting last year, lays out the task in plain terms: Restaurateurs must show Congress that the business meal is a legitimate business expense that deserves the same tax treatment as other business expenses. Key to association efforts will be overcoming the often negative image of the business meal as a "fat-cat" benefit.

The association will monitor this issue and other tax issues closely as the 101st Congress gets down to business.

Social issues: a top priority

As they have over the past several years, social issues will remain a top priority for Congress. Washington DC's *Congressional Quarterly* magazine puts it simply: "The question is no longer whether parents need time off from work to spend with their newborn or seriously ill children, but how that goal is to be achieved. There is no serious debate over whether the federal government should aid those without health insurance; the discussion is over what action it should take."

Budget pressures are forcing Congress to look outside the government for solutions. The result: Many congressional Democrats want to foist the burden onto employers, requiring them to provide health insurance for workers employed more than 17½ hours a week, and up to 10 weeks of parental and medical leave for new parents or seriously ill workers.

Restaurateurs and other businesspeople have made some headway convincing Congress that the tremendous expense involved in these measures would cripple business operations and prevent entrepreneurs from starting businesses and providing jobs.

Yet businesses must keep up their intense opposition to the mandates, making Congress realize how dangerously counterproductive it would be to force employers to shoulder the burden of some of the nation's hardest-to-solve problems.

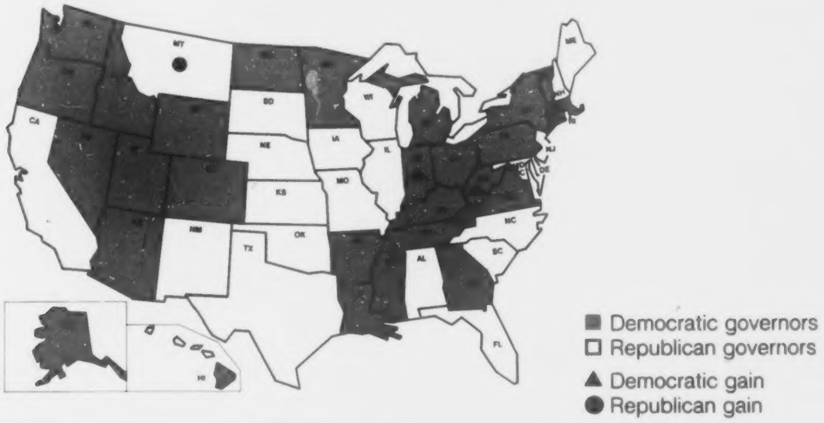
Restaurateurs: a key part of the debate

Restaurateurs will face a constant series of challenges in the 101st Congress. As the association continues to develop its grassroots strength, operators will be needed to join in the fight against costly mandates, taxes and wage increases. Without a doubt, as the nation's largest retail employer and one of its leading industries, the restaurant industry will be an important part of the debate on how to maintain a thriving economy with healthy businesses.

—Denise Roach

November 1988 state election summary

Governors for 1989



The results of November's gubernatorial and state assembly elections will almost certainly mean continued efforts in 1989 to regulate business activity, particularly in such areas as employer-provided benefits, minimum-wage increases, regulation of food-packaging and smoking restrictions. From the White House to the statehouse, voters in most states reelected the party in power to another term.

Governors' races

In the 12 gubernatorial races, Democrats and Republicans traded control of three governorships, with Democrats netting a gain of one. Nine incumbents ran for re-election; only one, Republican Governor Arch A. Moore of West Virginia, was defeated. Governorships are now split 28 to 22 in favor of Democrats.

The GOP did well to hold off Democratic challengers in Rhode Island and Utah, where Republican incumbents were thought to be vulnerable. In Rhode Island, Edward DiPrete came under attack from his Democratic challenger, businessman Bruce Sundlan, on questions about his ethical conduct while in office. DiPrete was able to rebound, however, as questions about Sundlan's personal life surfaced just before the election. On November 8, 1988, DiPrete squeaked by with a victory margin of just two percentage points.

In Utah, Norman Bangerter came back from an incredible 30-point deficit in the polls to defeat two challengers who ran on anti-tax platforms. Bangerter's poor showing in the polls resulted from his support in 1987 of a stiff tax increase—an increase that violated a campaign promise he had made several years earlier not to raise taxes. The tax hike ignited popular support for several anti-tax ballot initiatives. To recover in time for the election, Bangerter employed a two-pronged strategy: First he found vocal opposition to the ballot initiatives from a popular former governor; then he mailed tax-refund checks six weeks before the election.

In Montana the governorship changed hands for the first time in 20 years. Republican Stan Stephens convinced voters that the state's troubled economy would be better managed under his supervision than under that of his Democractic rival, former Governor Thomas Judge.

Perhaps the sweetest gubernatorial victory for the Democrats was regaining control of the Indiana governorship, which like Montana's, had not changed hands in 20 years. Evan Bayh, 32-year-old son of former Senator Birch Bayh, defeated GOP Lt. Governor John Mutz by raising doubts about the fiscal competence of the outgoing administration. Republicans had hoped vice presidential candidate Dan Quayle's nomination would help bring in votes for Mutz, who was ailing in the polls. But Democratic determination to avenge the 1980 defeat of Birch Bayh, who lost to Quayle, was too much to overcome.

State legislative elections

The key word for party leaders in state legislative elections was redistricting. By April 1, 1991, the Census Bureau will have delivered

Projected net reapportionment changes in U.S. House of Representatives*

Arizona	+2
California	+5
Florida	+3
Georgia	+2
Illinois	-2
Iowa	-1
Kansas	-1
Massachusetts	-1
Michigan	-2
Montana	-1
North Carolina	+1
New York	-3
Ohio	-2
Pennsylvania	-3
Texas	+4
Virginia	+1
West Virginia	-1
Wisconsin	-1

The last five seats went to:

Texas	431st
Georgia	432nd
Arizona	433rd
Kentucky	434th
Minnesota (with 5,390 people to spare)	435th

The states next in line for a congressional seat are:
Pennsylvania**
California
Florida
Montana
Wisconsin

**based on 1988 census projections of 1990 population*
***missed getting the 435th seat by 14,000 people*

Source: Election Data Services

its 1990 population count to the states. Those numbers will be used to reapportion congressional districts nationwide, with some northern industrial states expected to lose seats and some Sun Belt states expected to make gains. The census figures also will provide the basis for redistricting efforts, the process in state legislatures of carving up voting districts. Drawing boundary lines can be a tricky business, as states must comply with "one-man, one-vote," a 25-year-old Supreme Court ruling designed to ensure that each elected official represents an equal number of constituents.

1988 state election results

State	Senate				House			
	Dem.	Rep.	Other	Change	Dem.	Rep.	Other	Change
Alabama	30	5		no election	89	16		no election
Alaska	8	12		0	23	17		+1R
Arizona	13	17		+2D	26	34		+2D
Arkansas	31	4		0	88	11	1I	+2R,+1I
California	24	15	1I	0	46	33	1V	+2D
Colorado	11	24		+1D	26	39		+2D
Connecticut	23	13		+2R	88	63		+3R
Delaware	13	8		0	18	23		+1R
Florida	23	17		+2R	73	47		+2R
Georgia	45	11		+1R	144	36		+7R
Hawaii	22	3		0	45	6		+4D
Idaho	19	23		+3D	20	64		0
Illinois	31	28		0	67	51		0
indiana	24	26		+4D	50	50		+2D[4]
Iowa	30	20		+1D	61	39		+3D
Kansas	18	22		+2D	58	67		+7D
Kentucky	30	8		+1D	72	28		+1D
Louisiana	34	5		no election	86	18	1V, no election	
Maine	20	15		0	96	55		+10D
Maryland	40	7		no election	125	16		no election
Massachusetts	32	8		0	128	32		+1D
Michigan	18	20		no election	61	49		+3R
Minnesota	45	22		+1R[3]	81	53		+2R
Mississippi	46	6		+1D[3]	113	9		no election
Missouri	22	12		+1D	105	58		+5R
Montana	23	27		+2R[4]	52	48		+3D[4]
Nebraska				unicameral,	nonpartisan			
Nevada	8	13		+1R	30	12		+1D
New Hampshire	8	16		+2D	119	281		+14R
New Jersey	24	16		no election	38	41	1V, no election	
New Mexico	26	16[2]		+5D[4]	45	25[1]		+1R
New York	27	34		+1D	92	58		+1R
North Carolina	36	14		+4R	74	46		+10R
North Dakota	32	21		+5D	45	61		0
Ohio	14	19		+1R	59	40		+1R
Oklahoma	33	15		+2D	69	32		+1R
Oregon	19	11		+2D	32	28		+1D
Pennsylvania	23	27		0	104	99		+1D
Rhode Island	41	9		+3D	82	18		+2D
South Carolina	35	11		+1D	86	37	1V	+3R
South Dakota	14	20	1I[1]	+4D,+1I	24	46		+2D
Tennessee	22	11		+1R	59	40		+2R
Texas	23	8		+2R	93	57		+1R
Utah	7	22		+1R	28	47		+1D
Vermont	16	14		+3R	74	76		+4R[4]
Virginia	30	9	1V, no election		64	34	1I,1V	0[3]
Washington	24	25[2]		0	64	34		+3D
West Virginia	29	5		+2D	79	21		+1D
Wisconsin	20	13		+1D	56	43		+2D
Wyoming	11	19		0	23	41		+3D
TOTALS	1197	746	2I,1V		3280	2179	2I,5V	

I = Independent
V = Vacancy
(Totals as of Nov. 14)

[1] one seat undecided
[2] two seats undecided
[3] filled vacancy by election
[4] control changed

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Results of the 1988 election make it all but certain that Democrats will outnumber Republicans in state chambers and exert the greater influence over where congressional boundaries will fall in the 1990s.

Going into the election, Democrats controlled both chambers in 28 states, Republicans controlled both chambers in nine states, and 12 states had split control or ties. After the election, Democrats continue to control both chambers in 28 states, the GOP controls both chambers in only eight states, and 13 states are split or tied. Democrats hold a total of 68 chambers, the Republicans 29; the Indiana House is tied. Nebraska has a nonpartisan, unicameral (one house) legislature.

Of the 5,961 state legislative seats up for election, Republicans lost 14 seats, Democrats netted 10 and Independents now number one more than before—four. In addition, there are six vacancies. This is the smallest number of seats ever to change hands. In each of the 1980 and 1984 elections, Republicans gained more than 300 seats, largely due to Ronald Reagan's popularity. In 1982 and again in 1986, the Democrats recovered more than 200 seats.

After the last redistricting in 1980, which was dominated by the Democrats, Republicans mounted a noisy campaign to overtake the Democrats in state elections. But when Democrats made large gains in 1986, the 1988 election became a must-win for Republicans if they were to have any realistic hope of capturing a majority of state chambers.

California, Texas and Florida were especially important to the GOP because those states are expected to gain at least 12 U.S. House seats in 1991. But little or no gain for the Republicans in each of those six chambers left the Democrats with significant majorities. Republicans did acquire a majority in the Montana Senate, which was previously tied, and in the Vermont House.

The greatest gains for the GOP came in the North Carolina House, where they picked up 10 seats, and in the New Hampshire House, where the Republicans extended their 259 to 128 lead to 281 to 119 and filled 13 vacancies. The greatest gains for the Democrats came in the Maine House, where they acquired 10 seats.

What's ahead in 1990

With 36 gubernatorial contests scheduled for 1990, the greatest hope Republicans have for keeping Democrat-endorsed redistricting plans in check is for the GOP to continue to hold the governorship in Florida, Texas and California and to pick up as many additional governors' mansions as possible.

Without a doubt, 1990 election efforts will be more strongly focused than ever before on important state and local races.

—Charles M. Dyke

#95

Business decorum

Fifty percent or more of your waking hours are spent on your business activities, most of which occur in a business environment—your place of business, someone else's place of business, conference rooms, board rooms and so forth. When you come into contact with your business associates, there are certain matters of business decorum and personal etiquette that are commonly accepted and expected. Although I'm sure you are aware of these business manners and practice them as part of your daily behavior, I think that they bear repeating.

1. If you spill something—coffee, tea, soft drinks or another liquid—in an open area, such as a hallway, lobby or waiting room, leave the area immediately to get away from the mess. Don't tell anybody what happened, and if it becomes necessary, deny any knowledge of the incident. If you spill something in a closed area, such as a meeting room, where your action is obvious, immediately place the blame on someone or something else, such as accusing the person next to you of bumping your arm or saying the container was too hot (or too cold). Continue to reference the incident and the locus of the blame for the rest of the meeting.

2. Don't hesitate to interrupt people who are speaking or to break into a conversation. After all, they will appreciate your input, since what you have to offer is infinitely more important than what they were discussing. Besides, interruptions make for more lively conversations.

3. If you are the cause of an "accident," such as opening a door that bumps into someone else, immediately scold the person for being at the wrong place at the wrong time. You can also scream, "Look where you are going," and state that the other person is a clumsy oaf. You should then get away from the area as fast as you can, brushing off your clothing with your hands. Above all, never help the person who is in the predicament; others viewing the situation may associate you with the clumsiness, and you don't want that to happen.

4. Whenever you enter a room and the lights are on, turn them off immediately, whether someone is in the room or not. This also holds true for air-conditioning equipment that is running, etc. Such behavior will show you are mindful of energy conservation.

5. Whenever you see a closed door, open it. That will aid ventilation and make it easier for people to enter and exit. Never mind what's going on on the other side of the door. You do believe in openness in your organization, don't you?

6. When you come upon a piece of equipment that is not being used, turn it on immediately, punch the keys, turn the handle and otherwise experiment with it. You can learn a lot that way. Don't worry about any data being dumped or the equipment jamming; after all, the operator wouldn't leave it exposed if that could happen.

7. When disposing of waste, stand back at least 10 feet from the waste receptacle and try a basketball-like swish or bank shot to discard the material. This can sharpen your aim and tossing skills, and it can be enormously ego-gratifying when it works. ("Just like the old days.") When you miss and the floor becomes littered, don't worry about it. The maintenance people will take care of it.

8. When you borrow something from someone else, don't bother to return it. If the other person wants it back badly enough, he or she will come and get it. When that happens, hide it and claim that you sent it back. Then wring your hands in a worried manner and state, "I don't know where in the world it could be or what possibly could have happened to it." For things that are available for common use, hoard them in your office and never put them back in their customary location. People will come looking for them, and that facilitates interpersonal relationships.

9. If something is broken, immediately try to fuss with it. That will show your interest and your "let's get it done" mindset. When it doesn't get fixed, kick it, bash it or drop it, so the disrepair is aggravated. It's time you got a new one anyway.

10. Unlock anything that's locked. That shows you are not secretive and adds to the openness in your organization.

11. When you go onto someone else's premises or into someone else's office and he or she is there, rearrange desk ornaments, wall hangings, furniture, bookcases, credenza photos and so forth. The occupant will appreciate the sincerity of your interest in his or her office appearance and will admire your interior-design aptitude.

12. When you go into someone else's office and he or she is not there, look over the papers and documents that are on the desk, and open desk drawers, file cabinets and other hiding places. It's amazing what you can learn that way. (If you want to find out what's going on and the occupant is there, crook your neck a little so you can read the paperwork that's on the desk. That's a little easier than learning to read upside down.)

Fisher's Law #95: If you follow these rules for business decorum, your business-decorum reputation will become a legend.

IF YOU'RE NOT RECYCLING YOU'RE THROWING IT ALL AWAY.

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TABLESERVICE TRENDS IN 1989

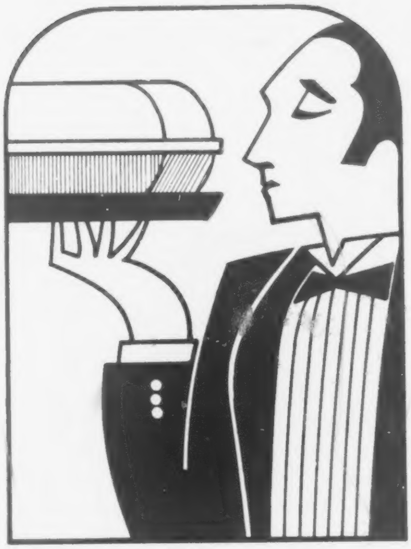
Whether it is because of demographic shifts, government intervention or economic developments, tableservice practices change each year—and this year will be no different. Here is a preview of what lies ahead.

Takeout can be a major income generator at tableservice restaurants. Even though hamburgers, sandwiches and pizzas might be the items that first come to mind when you think of takeout food, quickservice restaurants are not the only ones that are responding to the consumer's desire for off-premises meals.

Most of today's tableservice restaurants provide ready-to-eat takeout meals, but according to a survey by the National Restaurant Association, these restaurants need to do a better job of marketing their takeout services in 1989. Many customers just aren't looking to tableservice restaurants to meet their need for meals to go.

In 1989, tableservice restaurants must open the consumer's eyes to midscale and upscale takeout options. The association survey suggests that if restaurants are able to make the consumers aware of their takeout selections there are revenues to be made. Twenty-five percent of the survey respondents said that they would be very likely to purchase carryout meals at tableservice restaurants if they knew they were available.

How can tableservice restaurants let customers know about their services? The most effective marketers will use in-house advertising, such as special menus and table tents, signs and separate counters or entrances. Select mail coupons and flyers distributed to local office buildings can help tap the lucrative business-lunch crowd. And some restaurants will find that their catering service can serve as an effective marketing device for their carryout goods.



Sous vide has the potential to revolutionize restaurant and catering food preparation. There's a space-age cooking technique that is just beginning to get a toehold into American commercial kitchens—and you're going to hear more about it in 1989. Cuisine sous vide has the potential to revolutionize many aspects of restaurant and catering food preparation, but newer applications and procedures still need to be researched and developed before this innovative cooking technique reaches its full potential.

First the good news. Cuisine sous vide—which is French for "under vacuum"—actually enhances natural flavors while giving restaurateurs the flexibility of preparing large quantitites of delicate dishes days in advance.

At its simplest, sous vide involves carefully arranging raw food on a thin plastic sheet, and then, using a lightly oiled spatula, inserting the food into a specially developed pouch. Next, the container is vacuumized and heat-sealed using a basic single-chamber vacuumizing machine.

The package is quickly cooked in a specially designed steam-injected, air-convection oven for a short amount of time. After being cooked about 90 percent of the way, the food is given a quick ice-water bath to stop the process. Then it can be kept under refrigeration for two weeks or more.

To prepare the foods, the unopened pouch is immersed in boiling water for a few minutes, which finishes the cooking process as it brings the food up to serving temperature. The packages are then cut open and the contents are plated and garnished.

Because the pouches have a high oxygen and moisture barrier, shelf life can be extended. In addition, the taste of the foods actually improves, because the foods are cooked in their own natural juices with almost no shrinkage. Foods cooked by the sous-vide method usually require about one-half the spices used in traditional cooking.

The high oxygen and moisture barriers of the pouches, however, also led the Food and Drug Administration (FDA) to issue warnings last year about the safety of sous vide. In essence, sous vide is similar to canning, where a controlled atmosphere is used to extend shelf life. And to put it simply, the risk of contamination exists when food is packaged in a modified or controlled atmosphere. Because the risk is considerable when shelf life is irresponsibly extended or when temperature abuses occur, the FDA has emphasized the importance of using strict controls with sous vide. As in canning, what is known as "GMP," or "good manufacturing practices," must be followed.

Several restaurants across the country have been reaping the benefits of sous vide for several years. Usually, restaurants use sous vide to stock ahead: Less-skilled and lower-paid workers serve dishes that have been prepared by a chef during off-peak hours.

Several operators have also tried to appeal to time-pressured consumers by marketing vacuum-pouched gourmet-meals-to-go, but indications are that consumers aren't quite ready for this application from restaurant kitchens. Before carryout sous vide really takes off, the public will have to be educated about the intrinsic merits of pouched food, and the importance of handling it properly.

As long as proper manufacturing procedures—such as sanitation, product formulation and safety assessment—are defined and followed, the future of sous vide is promising. In fact, as a statement from the October 1988 conference on food protection reads, "The market potential for [these] foods, and the opportunities which [they] present, may indeed be virtually unlimited."

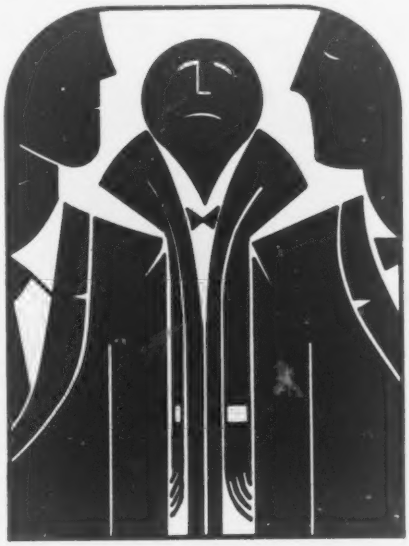
Shake-out period ahead for upscale operations? There is concern about competition among high-ticket operators—those with average per-person checks of $25 or more.

It certainly seems that upscale restaurants in the Big Apple have bucked some difficult conditions in 1988. The New York City press has published many articles on the failure of prominent Manhattan restaurants during the last year. They were probably hurt more than most by the reduced deduction on business marketing meals and employer-paid FUTA and FICA taxes on tips. Furthermore, their customers were also very hard hit by the stock market plunge of October 1987. And then, of course, there are the incredibly high real estate costs in the city.

The problem is not localized, however. In a recent association survey, 32 percent of respondents with upscale operations said competition would be their worst problem in 1989. In metropolitan centers, there may simply be too many upscale restaurants vying for a static number of upscale dollars.

In other words, it is possible that this particular foodservice sector is saturated in certain metropolitan areas. If so, we can expect to see a shake-out period.

But this shake-out period—if it does occur—does not indicate the demise of fine dining. Even in the one sector of the industry that is involved, the great majority of establishments will survive. In fact, well-managed operations with viable concepts, high-quality service and value for the dollar are likely to prosper.



You'll hear more about service charges in 1989. Some midscale and upscale operators across the country are becoming increasingly interested in service charges. But it does not suggest that a dramatic shift is likely this year or next. Instead it points toward a gradual change, with more restaurateurs reporting they are likely to use the service-charge system in the future.

Government regulations—such as those that require operators to monitor employees' tips and to pay Social Security and unemployment taxes on tips—are the most commonly cited reasons for phasing out the tipping system. With service charges, restaurants can put their service staff on fixed salaries, with superior benefits, and they can also avoid the piles of paperwork now required by the IRS.

Some restaurateurs are already applying a fixed service charge. This practice is significantly more common at establishments with check averages of more than $25 than it is at restaurants with lower check averages. A National Restaurant Association survey indicates that 11 percent of restaurants with per-person dinner checks averaging more than $25 add a service charge to all transactions, as compared to 5 percent or less for establishments with lower check averages.

The survey also suggests that the increased interest in service charges is not evident simply among establishments with the highest check averages. Restaurants in the $8-to-$15 category and those in the $15-to-$25 category have not ruled out introducing a service charge.

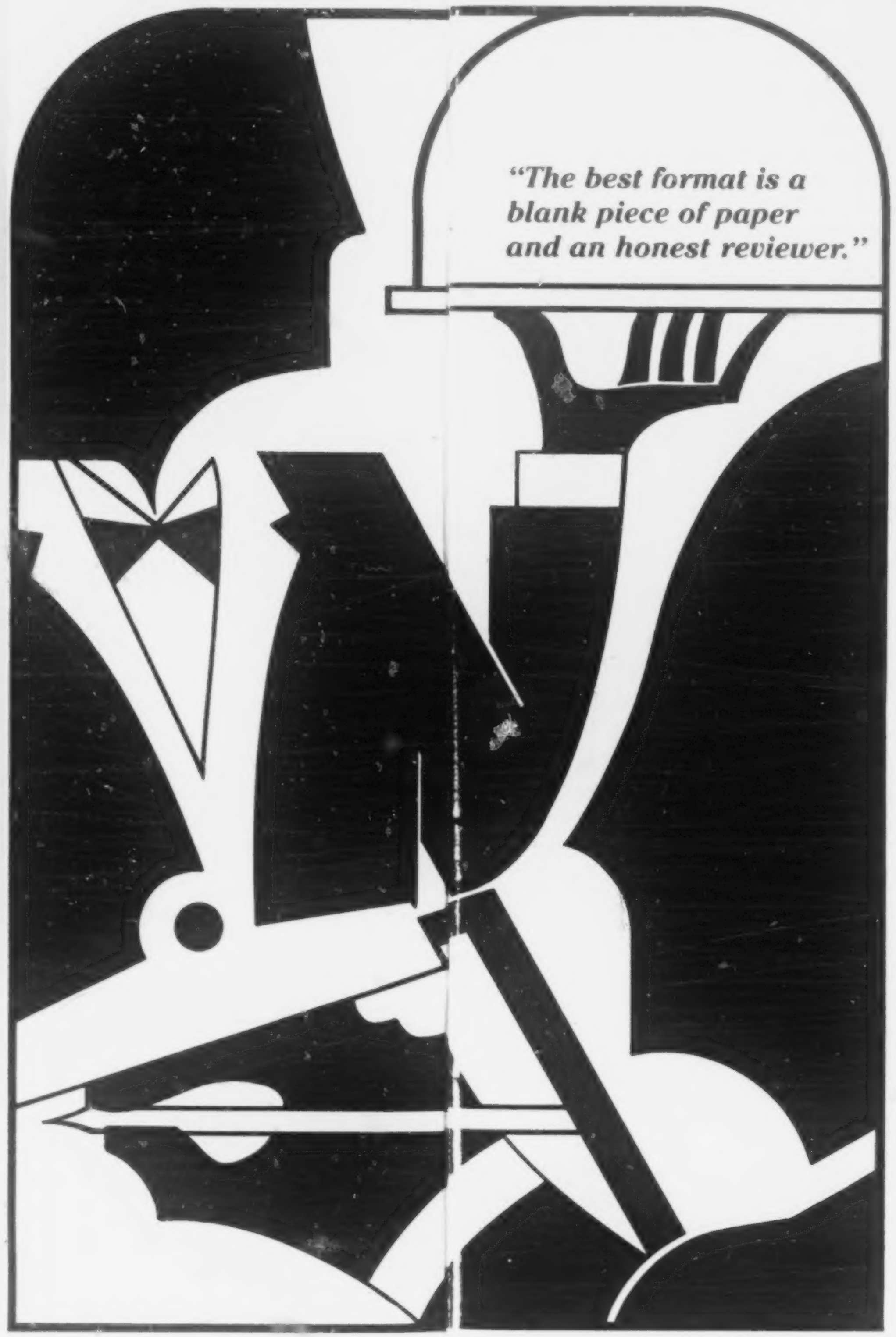
Although consumers have reacted positively to service charges in individual situations, the association's Gallup survey shows that consumers generally hold a negative opinion of service charges. Clearly, restaurant patrons will have to be educated about service charges before restaurateurs have the confidence to institute the practice more widely.

—Paul Moomaw
—Jeffrey Prince
—David Slater

"HOW AM I DOING, BOSS?"

In a recent association survey, tableservice operators were asked to identify the most important problem facing their businesses in 1989. This was an open-ended question, and so it had the possibility of a great variety of answers. Yet a very clear majority—more than 60 percent in most categories--named "labor" first and foremost. Those respondents were referring, of course, to the shortage of employees beginning to be felt by service industries all over the country.

Because of this serious concern, *Restaurants USA* has designated 1989 as the year of the employee. In every issue of the magazine this year, there will be at least one article on how to hire, train and/or motivate employees. This first issue looks at the important motivational advantages of employee evaluations.



"The best format is a blank piece of paper and an honest reviewer."

When asked about employee evaluations, just about every person at every level of business will agree that employee evaluations are a vital part of doing business well. Why is it, then, that so many businesses, restaurants included, avoid doing performance appraisals on a regular basis, if at all? According to consultant Larry Sternberg of Sternberg and Company in Atlanta, human nature plays a leading role: "Managers at every level will tend to avoid evaluating subordinates," says Sternberg. "The supervisor avoids it because he or she is being asked to make a judgment about someone else. People don't like the confrontations involved."

The ironic flip side of the manager's reluctance to judge an employee's performance is that most employees *want* to know what their supervisors think. In Sternberg's experience, "People always like to hear themselves talked about—even if it's not all positive." Consultant and author Barbara Schindler Jones of Communications Resources in Denver, Colorado, says the most common complaints she hears among employees are: "I'm not sure what management expects of me," and "I don't know how I'm doing."

In addition to the fact that most employees welcome frequent appraisals of job performance, employee evaluations yield benefits that naturally emanate from an open, constructive manager/employee relationship.

How to do evaluations

Once the decision has been made to implement employee evaluations, the main questions to answer are: How often should evaluations be done? What should the evaluations cover? According to consultant Sternberg, "Most businesses do evaluations only once a year. Some progressive businesses do them twice a year. My advice is to do evaluations quarterly, where every manager reviews his/her immediate subordinates." Consultant Jones concurs and adds that the evaluations should be staggered throughout the year. This way, managers can better spread out the time devoted to evaluations, and evaluations become a truly ongoing process.

The foundation for any productive employee evaluation system is open, constructive communication—written and oral—between manager and employee. That is why consultants will not offer a standard prototype or so-called "ideal" evaluation form because every form must be tailored to the specific job under review. "The best format," says Sternberg, "is a blank piece of paper and an honest reviewer. What is most valuable is not the issues covered, but the manager's openness and candor. No form can force openness and candor."

Although Sternberg does not recommend any one format to his clients, he does emphasize using measurable indicators of performance. For starters, Sternberg suggests a restaurateur might examine the following:

1. The average check amount
2. Productivity—the number of parties handled at peak hours
3. Quality—a feedback mechanism for recording customer complaints and compliments
4. Competence—number of accidents or breakage
5. Reliability—the employee's punctuality and attendance.

While Sternberg does not object to including some subjective judgments, such as attitude or appearance, his rule of thumb is: "The more objective the criteria, the less often the manager needs to give personal feedback. If anything comes as a surprise to the employee during the review, the manager has not been doing his/her job."

Sharon Daley, vice president and director of operations at Ecco Cafe in Alexandria, Virginia, develops evaluation forms for kitchen employees and waiters and also trains managers in the Ecco style of evaluation. For Daley, "Evaluations are based on job

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Joan E. Herlong is a freelance writer in Arlington, Virginia.

Reducing turnover

A restaurateur may avoid evaluations because high turnover rates leave him or her with little time to do them and a feeling that evaluations are not worth the time involved. Yet evaluations can actually help to solve the labor problem, while omitting them can exacerbate it.

"Lack of evaluation may be a reason for lack of commitment to a job, regardless of whether one is a full-time or a part-time employee," says consultant and author Barbara Schindler Jones of Communications Resources in Boulder, Colorado. "If an employee sees the value of his/her work, there is a greater commitment to that work."

Consultant Larry Sternberg of Sternberg and Company in Atlanta offers the following anecdote as a dramatic illustration of how simple evaluations reduced turnover in one operation: "The Hyatt Regency in Dearborn, Michigan, had tremendous problems with their banquet housemen, the guys who set up banquets overnight," he says. "It was a night shift drawing on a very poor labor market. Turnover was 400 percent per year, and this percentage included managers. Then a new manager, Frank Mallen, was hired. He stepped in and started doing weekly evaluations of the housemen. He designed a simple, one-page form—like a pop quiz—and did evaluations at random so that everybody was evaluated about once a week. He lost half his housemen in 30 days. But the ones who stayed on really appreciated the feedback. New employees were told right off about the weekly evaluation procedure. Within 90 days, turnover went down to zero, and morale was sky-high. The evaluations helped bring out creativity as well as productivity, and the housemen began to take a new pride in their work. They even chipped in to have T-shirts made at their own expense, which said: 'If you ain't a Hyatt Houseman, you ain't @!&*%!!.' "

Sternberg emphasizes that "all employees—full-time, part-time, short-term—need recognition, rewards and feedback. If you make the time for doing evaluations, it ultimately saves you time because people will be doing their jobs better."

descriptions. Our job descriptions are pretty detailed and our training is very thorough." At Ecco, managers do evaluations on a quarterly basis because "it develops awareness of problems before they become real problems and it reduces anxiety. There are no surprises; it's simply an opportunity to make time to talk things out and put things in writing."

To train managers to evaluate, Daley asks new managers to sit in on an evaluation between another manager and employee. "Our forms and training encourage consistency," Daley explains, "and they give a sense of how well a manager is managing. A manager must write at least three sentences on each point, and he/she must be specific."

A monthly report card

At the Sardine Factory in Monterey, California, co-owner Ted Balestreri originated the concept of the employee "report card," based not on grades but on individual sales. In addition to formal manager/employee evaluations done twice a year, waiters receive a monthly report card that reviews lunch and dinner sales, desserts and wine sales in relation to each waiter's monthly head-count of customers (to be fair to part-timers). The report cards are posted, and the winners in different categories get a posted letter of congratulations plus a free dinner for two in any of Balestreri's four restaurants in the Carmel-Monterey area.

In addition to the objective sales approach of the report cards, all customer complaints and compliments are registered daily, and they must be signed by both the manager and the employee. Balestreri believes his sales-based report cards have been a great success for him because, "We all have a tendency to judge people by our own gut feelings and reactions. But that is not always a proper way to measure someone's actual performance. My employees seem very pleased with our system."

There is no point in telling an employee how he/she is doing unless the evaluation also points out how that employee might improve. This two-pronged approach to performance appraisals, says Sternberg, is crucial: "Employees want to know how they are doing and how to do better. It matters to them that their manager simply cares enough to take the time to evaluate them." Jones agrees, adding that, "An employee's eagerness to improve and do a good job is directly related to the attention paid to his/her performance. You see night-and-day difference when employees sense where they're going. When they sense that their work is valued, you see a marked increase in employee morale and productivity."

For managers, too

Managers, too, can be motivated by a system of evaluations. At Ecco, 10 to 20 percent of managers' salaries come in bonuses based on a monthly profit-and-loss review. "We take all sales," explains owner and restaurant consultant Mark Caraluzzi, "subtract all controllable costs, and come up with a gross profit number. A bonus is declared on that number, and I have found it is a very effective motivational tool. If the numbers go out of whack, they lose money. It's very simple, and the managers take it very seriously. Our unannounced inspections look to the overall picture of the place, to make sure that the restaurant is pleasing from the customer's perspective as well."

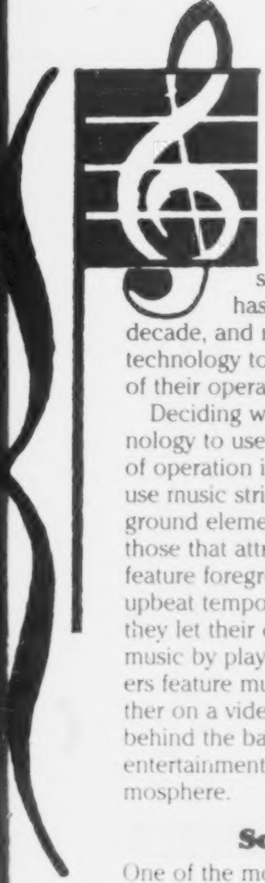
While employers should hardly view employees as potential legal adversaries, consultant Jones advises that "It's important to keep the legal aspects of evaluations in mind—from a positive standpoint. Regular evaluations help keep tabs on management as well as employees. A lazy manager who simply circles descriptions on a form and doesn't take the time to give an accurate review of an employee will be easy to spot. Unless things are written down, they have a way of disappearing, and people tend to remember events differently."

Sternberg says an effective evaluation form should "protect you because it should back up any terminations or promotions you make. No lawyer will tell you that *lack* of records will help in a defense. If you have objective criteria upon which you base your decisions, you just don't run into problems with the law." ❑

NEW VIBRATIONS

It's no secret that music is one of the most important atmospherics in a restaurant. It acts as a stimulant or a sedative; it encourages patrons to eat quickly and turn over tables or to sit back and have another cup of coffee. It can attract a certain type of customer—and turn away another. The biggest decision after choosing the type of music you want to play is how to get the music into your restaurant. Fortunately, technology makes it easier for restaurateurs to play just the right tunes.

by Elizabeth Wallace



Getting music into a restaurant is much more than placing speakers in strategic locations and switching radio stations in search of the right sound. Music technology has taken off in the past decade, and restaurants can use that technology to enhance the ambiance of their operations.

Deciding what kind of music technology to use depends on what kind of operation it is. Some restaurants use music strictly as a soothing background element. Others—usually those that attract a younger crowd—feature foreground music by playing upbeat tempos at a loud volume, or they let their customers choose the music by playing jukeboxes. Still others feature music videos—played either on a video jukebox or on a VCR behind the bar—that can serve as entertainment or as background atmosphere.

Sound only

One of the most popular ways of getting music into restaurants is with tapes. Tapes are versatile and affordable and, most important, they put the choice of what music to play and when to play it firmly in the hands of the operator.

An operator can play his or her own tapes or lease them from a company. Muzak, based in Seattle, has been in the music business since 1934; it offers a tape-leasing program called Tones, which supplies tapes and the tape players to restaurants. The Tones catalog offers more than 400 titles, all three hours in length. According to Muzak's Marketing Manager Leslie Ritter, the tapes offer "every kind of music imaginable—from Japanese to Mexican to Halloween or St. Patrick's Day music," and at various tempos—from "mellow" to "upbeat." The wide selection allows the operator to narrow down the type of music to be played to suit a theme, a very specific demographic customer profile or a certain time of day.

Ritter notes that mixed-tempo tapes are becoming increasingly popular because they provide music of varying beats within a particular category—a variety that listeners enjoy.

Once an operator has decided what kind of music to play, he or she can make the selection from the catalog or can turn to a Muzak representative to choose the appropriate music based on the company's experiences with past customers. "We show them a demographic chart that lists the kind of music people in different age groups like to listen to," explains Dan Hart, general manager of the Muzak office in Chicago. "A restaurant in Chicago might have a crowd with a great age range—say between 18 and 60—so we might recommend the Adult Contemporary tapes, with artists like Barry Manilow and Barbara Streisand. But when the older folks jump on the train and get out of the city at night, the younger crowd—18 to 35—will want to hear Hitline selections like Wham or Miami Sound Machine," Hart adds.

To get a restaurant started in the Tones program, Muzak first sends 12 tapes and then a new tape every 30, 60 or 90 days. Operators vary their tape library by returning old tapes for new ones. The cost of renting the tapes depends on the location of the restaurant, how many speakers are used, whether the equipment is leased or bought and how often tapes are exchanged. In the Chicago area, for example, operators using the Tones system pay approximately $50 if they own the equipment and $90 if the equipment is leased. In San Diego, most operators lease the equipment, and the tapes average $70 per month.

AEI is another music company based in Seattle that offers on-premises music programming. AEI's tape selection is divided by tempo: hot, medium, mild or mixed; and style: rock, pop, jazz, country or classical. AEI designs a music format for each client and provides guidelines for using various tempos and styles throughout the day to create the right atmosphere. The tapes include four-hour cassettes and special continuous-loop cartridges. AEI provides an initial "music library" of six tapes and updates the collection monthly through an exchange of old tapes for new ones. The cost of leasing AEI's tape and equipment is approximately $50 a month.

Both Muzak's Tones and AEI's on-premises tape services are proprietary systems—the tape decks they provide will only play their tapes. Thus, a restaurant that uses either system has made a commitment to use the tapes offered.

Janice Kruggel, administrative assistant to the director of facilities for General Mills Restaurants, Inc., headquartered in Orlando, Florida, is pleased with the way AEI's tapes work for the company's Red Lobster and Olive Garden restaurants. Red Lobster units—upscale, fullservice seafood restaurants that cater to the family—feature contemporary vocals and instrumentals, but the Olive Garden units, with their strong Italian ethnic atmosphere, feature all-Italian music. The director of facilities at the company headquarters makes the actual tape selections, and AEI sends those tapes to the restaurants monthly.

Kruggel claims that the greatest advantage of using the tape system is maintaining control of exactly what music is played and thereby controlling the atmosphere. "We've got it set up with AEI so that no one from any of the units can call and request a different tape. The selection is controlled here," she explains.

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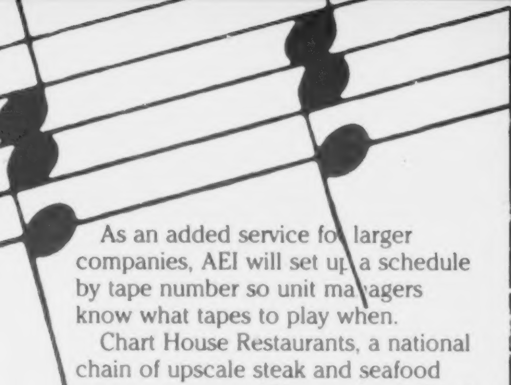
*Elizabeth Wallace is managing editor of **Restaurants USA.***



As an added service for larger companies, AEI will set up a schedule by tape number so unit managers know what tapes to play when.

Chart House Restaurants, a national chain of upscale steak and seafood restaurants, uses AEI tapes in all 57 of its units. "We choose upbeat, contemporary music—about 50 percent vocals, 50 percent instrumentals—all meant to be background music," explains Dave McCoart, who helps make the selections as vice president for operations in the Southwest. Each month AEI sends the tapes directly to the general managers at each restaurant, and they decide when to play the tapes, based on traffic patterns.

But Chart House hopes to go one step further. It is working with AEI to develop a customized sound that will be associated with its restaurants. Because many of the Chart House restaurants are located in vacation spots and quite a few are on the water, the company wants its music to convey an " 'island attitude,' [vacation atmosphere] that people will associate with our restaurants," says McCoart.

Chart House is working with AEI to develop music with a tropical feeling, including Hawaiian, Caribbean, Calypso, Brazilian and Japanese Kitaro instrumentation. Chart House's goal is for this music to become so identifiable that, "when people hear the music they will know they are in a Chart House restaurant," says McCoart.

Customizing tapes is a costly endeavor, of course, and one that is not easy to come by for the smaller operator. Houston Striggow, director of operations for EMI in New Haven, Connecticut, would love to have customized music for the company's four restaurants, but he can't find anyone to make the tapes for him. He has contacted recording companies large and small, and they all tell him the same thing—"Your operation is too small to justify the expense of having special music programmed." So Striggow relies on AEI's tape library to get the music he wants into his restaurants.

Clear sound and profit

Compact-disc technology has become the premier audio system, because of its ability to reproduce clear, true-to-life sound. Unlike tape decks and turntables, nothing touches the coated surface of a CD—a laser light on the CD player digitally reads tiny impulses on the disc to create the same sound even after hundreds of plays. That clear CD sound is now available in jukeboxes. The Seeburg Corporation in Addison, Illinois, has created LaserMusic—a CD-playing jukebox. LaserMusic jukeboxes hold 60 discs—each one a separate album—with up to 1,000 songs—a sizable increase over the traditional jukeboxes that held 80 45-rpm records with only 160 songs on their A and B sides. The discs are displayed in their album jackets so that customers can flip through them and easily recognize what artists and/or songs they would like to hear.

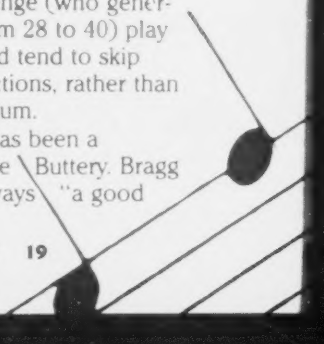
The LaserMusic system can be operated on a pay-for-play basis—the customer inserts $1 or $5 for a certain number of plays—or the operator can run the system on a "free-play" mode. LaserMusic is installed on a revenue-sharing basis so that the operator shares in the profits that the machine generates, while the jukebox distributor handles maintenance and updates the CD selection.

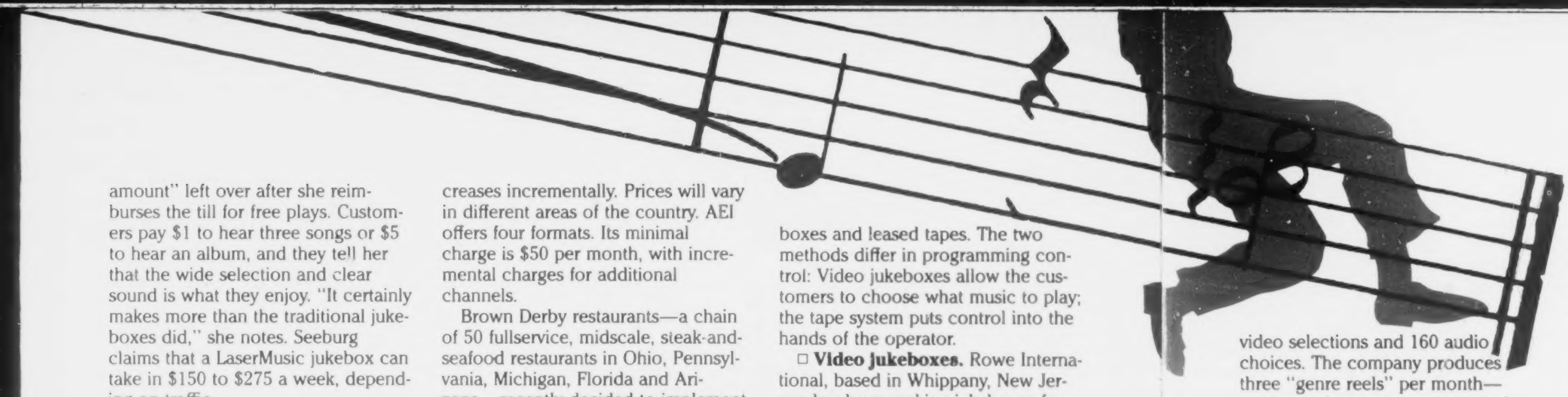
Dolly Bragg, manager of The Buttery, a 260-seat lunch and lounge operation in St. Paul, Minnesota, is very pleased with the way customers have responded to the CD jukebox. "They love the great sound and the selection—customers will bend over the machine for half an hour, flipping through the selections, arguing over what to play," she says.

Bragg never wants the LaserMusic machine to be silent. "If customers aren't playing it, I will take money from the cash register and play an album." From the machine's selection of jazz, rock, country, easy-listening and pop, she chooses music to suit the mood of the moment. And she confesses a weakness for certain artists. "During lunch, I alternate between Bobby Short and Patsy Cline." She notes that during happy hour, customers in the lounge (who generally range in age from 28 to 40) play more rock music and tend to skip around in their selections, rather than playing an entire album.

The CD jukebox has been a money-maker for The Buttery. Bragg says that there is always "a good

Chart House wants its customers to feel like they're on vacation when they dine in one of its restaurants. The company had customized tapes made with Hawaiian, Caribbean, Calypso, Brazilian and Japanese Kitaro music to reflect this tropical mood.





amount" left over after she reimburses the till for free plays. Customers pay $1 to hear three songs or $5 to hear an album, and they tell her that the wide selection and clear sound is what they enjoy. "It certainly makes more than the traditional jukeboxes did," she notes. Seeburg claims that a LaserMusic jukebox can take in $150 to $275 a week, depending on traffic.

Bragg also uses the CD jukebox to provide music for private parties and wedding receptions held at the club, but she is especially careful to control what the machine plays during these events. She puts the machine on continuous play with music to please—and not offend—the guests. "I'll play Frank Sinatra and other singers that the older guests will like. It keeps the teenagers from plugging in Aerosmith," she explains.

Music from outer space

Even though the technology isn't new, getting music via satellite may still seem a little far out. In fact, satellite transmission might be overkill for an independent operator who just wants to get good music into his or her restaurant, but it does offer unique advantages to multi-unit operations and restaurants or hotels that have more than one seating area.

Instead of buying tapes, the restaurateur buys one or more "channels" that function like a radio station controlled at Muzak or AEI headquarters. This assures programming variety and flexibility. For example, each receiver in a restaurant chain or hotel can be programmed to accept specific signals so different types of music can be played in different units or rooms to suit the mood of each area. But the specific selections are determined by the music company.

Large chains can also design a "signature channel" to play specific types of music and their own advertisements in every unit simultaneously—from Bangor, Maine, to Sacramento, California.

Muzak offers five channels or formats and charges its satellite customers approximately $75 per month for transmission of one channel. Costs increase as more channels are added, but the price for each add-on increases incrementally. Prices will vary in different areas of the country. AEI offers four formats. Its minimal charge is $50 per month, with incremental charges for additional channels.

Brown Derby restaurants—a chain of 50 fullservice, midscale, steak-and-seafood restaurants in Ohio, Pennsylvania, Michigan, Florida and Arizona—recently decided to implement satellite music broadcasts in all of its units. Mike Alexander, district manager, believes that "satellites are the future. They offer more options than other music systems."

Alexander says that the greatest advantage in using the satellite system is that it puts company headquarters in control of what music is being played. Prior to installation of the satellite, there was no uniform music system. Most of the units had tape players, and Brown Derby management had agreements with tape-leasing companies to regularly send specific music formats—mostly low-key instrumentals—to each restaurant. "Inevitably, the wrong tape would be played at the wrong time," notes Alexander, and some unit managers were going outside of the prescribed tape library and requesting other tapes. "The satellite system is foolproof. All they have to do is flip a switch and they have music in the restaurant," explains Alexander.

Brown Derby chose two channels from AEI's formats: mixed tempo, "timeless pop" vocals for the dining room and Top 40/dance music for the lounges or the dining rooms during the evening hours. According to Alexander, the new music has created a "fun atmosphere."

Sound and video

Music videos have become a part of the American culture, and it didn't take long for restaurants to start offering them to their customers. Because videos are seen as well as heard, they can serve as foreground music/entertainment—in fact, some operators make videos a focal point of their restaurants. But videos can also serve as background music.

There are two ways to bring music videos into restaurants: video jukeboxes and leased tapes. The two methods differ in programming control: Video jukeboxes allow the customers to choose what music to play; the tape system puts control into the hands of the operator.

□ **Video jukeboxes.** Rowe International, based in Whippany, New Jersey, has been making jukeboxes for 62 years. It took advantage of the popularity of music videos when it introduced its line of video jukeboxes in 1984. Rowe now has jukeboxes in 1,500 locations across the country. Michael Reinert, director of business affairs, estimates that 40 to 50 percent of those jukeboxes are in foodservice operations—most of which cater to young patrons, such as pizza parlors or campus restaurants and lounges.

Rowe's video jukeboxes offer 40 video selections and 160 audio choices. The company produces three "genre reels" per month—country, urban contemporary and rock. Each reel includes 50 percent from the specific genre and 50 percent Top 40 music. A monthly newsletter, "Video News," lists new releases.

Wendall Blankenship, franchisee for four 115-seat Pizza Hut units in Texas and New Mexico, has installed video jukeboxes in three of his stores and reports that they have gone over very well, especially among customers between the ages of 18 and 35. In fact, Blankenship installed four additional monitors in his Plainview, Texas, store so that every customer in the restaurant could view them.

Even though the idea of a jukebox is to let customers decide for themselves what they want to hear, Blankenship retains some control of the format by choosing what tapes go into the jukeboxes. He programs them to play "medium rock" videos and a few country selections. If there is a video that he deems inappropriate for his family-oriented restaurants, he can "blot" it out so that a customer can't play it. Blankenship has run into a problem with this system, however. "The machine is programmed to play a free video every 15 minutes that it remains silent. And it could decide to play one of the videos that I've blotted out—I can't control that," he explains.

Blankenship also uses the screen on the video jukebox to feature his own promotional messages. Before the jukebox plays a free video, it will flash the day's special or an upcoming event on its screen. And during the birthday parties that are frequently held at the restaurant, the screen will read "Happy Birthday" for the guest of honor.

Not only can video jukeboxes boost food and beverage sales, but they can also provide a nice profit on their own. Most video jukeboxes are installed by a local distributor on a revenue-sharing basis—the operator shares in the profits that the jukebox takes in. The standard price for video plays is 50 cents each. A video jukebox can bring in between $175 to $200 per week on average.

□ **Tape leasing.** Telegenics Music Video, based in New York City, started leasing tapes with compilations of popular videos in 1982, and today it has more than 1,000 customers nationwide. Customers who subscribe to Telegenics can choose between six new one-hour tapes and one two-hour tape every month. The cost for the videotapes varies depending on how many tapes a customer leases every month, but the average member price is $80 per one-hour tape and $125 per two-hour tape. Nonsubscribers or one-time customers who want to lease a tape will pay more.

The tapes are programmed demographically into six categories: progressive music featuring a lot of lesser-known and unusual European acts; dance music mostly by black or Hispanic artists; Top 40/pop selections, a "dance plus" reel with mainstream dance music like Duran Duran or Michael Jackson; Country/Western selections; and the "Lounge-o-matic" tape that features up-to-the-minute videos by popular artists.

To give operators a low-key option, the two-hour tape of nonstop videos features established artists that can be played as background music during quieter hours. "These are artists your parents have heard of," claims Jon Thomas, sales manager for Telegenics.

Steve Edlund, general manager of Ben's Steak House in West Palm Beach, Florida, has been a Telegenics member for three years and has collected dozens of the company's videotapes. He plays the tapes in the restaurant's 150-seat lounge during breaks in the live music featured at the club. Edlund used to play audio tapes, but was losing customers between sets. "I noticed that people would be watching the clock, waiting for the band to come back on," he explains. Videos solved the problem. The lounge already had a 46-inch big-screen TV to show sporting events.

"Using the videos was a natural solution," claims Edlund, who added two 25-inch monitors to increase viewing capacity.

To appeal to his customers who are mostly aged 35 and older, Edlund chose the Lounge-o-matic tape format with Top 40 music. In choosing the right music, "you can't put your personal preference over your clientele's," he states.

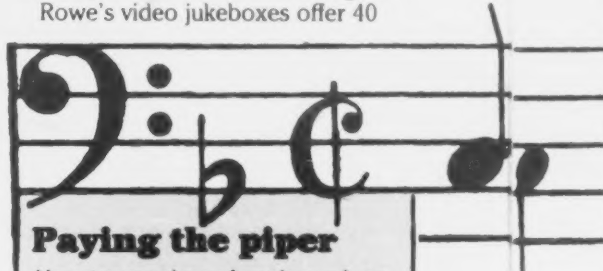
At Caliente Club Restaurant (90 seats) in New York City, the videos are an integral part of the upbeat, modern atmosphere. A three-part motorized screen drops down over a large mural that pictures a colorful old-fashioned city-street scene, and the three projectors that play the videos can be synchronized or set to run different videos.

The restaurant receives videotapes from several companies on a rotating basis, giving it an ever-changing library of tapes that are handled by a "VJ"—video disc jockey—who programs the videos and keeps the music geared toward the young, energetic crowd. There is a window in the "video command booth" for customers to come up and request songs.

The restaurant likes to be creative in using its three screens. "We'll play the same video on two screens, with maybe an old movie or a sporting event or some other 'wallpaper' video without sound on the third." The videos lend themselves to contests and promotions as well. For example, the VJ will run a quick clip of an old movie and then will offer a free T-shirt or food item from the trendy, mostly-Mexican menu to the first customer who identifies the movie or one of its stars. The club's general manager Jordan Naftal compares the atmosphere to a sports bar where customers are involved with the action on the screens.

In sum

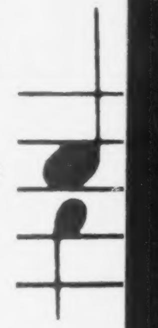
Innovative technology increases the choices restaurateurs have to bring sound to their establishments. Deciding what kind of music system to use depends on many factors, but the two most important are: who controls what music is played—the operator or the customer—and how that music enhances the overall operation.



Paying the piper

Almost every piece of music you hear is protected by copyright and cannot be played without obtaining the permission of the copyright owner. Does this mean that every time you play music in your restaurant you have to pay the owner of the copyright? Yes—but it's not as complicated as it sounds. The American Society of Composers, Authors and Publishers (ASCAP) will provide business owners who play music in their establishments with a "bulk license" for a "reasonable and nondiscriminatory rate," which allows you to play the music of its more than 37,000 members—including just about every song you'd ever want to play. ASCAP in turn distributes royalties to all its members, so, in fact, you have "paid the piper."

Many of the music systems available pay the ASCAP fees directly. Make sure you know whether this is the case. If your restaurant features live performances, you must obtain a license through ASCAP. For more information on licensing and fees, contact a regional ASCAP office or its headquarters at One Lincoln Plaza, New York, NY 10023, (212) 595-3050.



KARAOKE

Japanese Sing-along Goes American

One of the most unusual technological innovations in music entertainment is karaoke. In Japanese, karaoke (pronounced "kah-rah-okay") means "empty orchestra," and it is an apt description for this sophisticated piece of equipment that provides musical accompaniment for amateur singers.

Karaoke emerged in Japan in the 1970s, when cassette decks that played popular songs with the vocal tracks deleted came on the market. The Japanese people consider the "sing-along" an important form of expression; it provides a way of building fellowship among family, friends and coworkers. The karaoke machines sold quickly, and soon karaoke clubs were opened throughout the country. There are an estimated 6 million karaoke players in Japan today, two-thirds of which are in commercial establishments.

Pioneer Laser Entertainment, Inc., in Carson, California, believes that Americans are ready for karaoke, and it is marketing the karaoke players to restaurants and lounges across the country in an effort to build a "karaoke culture."

The idea is catching on. Karaoke clubs have opened in American cities—especially those with a sizable Japanese population—and according to John Jelinek, spokesperson for Pioneer, sales of the karaoke machines have been double the projected numbers. Jelinek agrees that karaoke is an unusual form of musical entertainment, but claims that, "people really enjoy it. It's like a high-tech amateur hour."

Along with the soundtrack, the Pioneer karaoke player provides a video that displays the lyrics to the songs, so that the "singer" will be able to go on stage and perform without any preparation. The system features more than 200 titles, including hits from the 50s, 60s, 70s and 80s, Country/Western tunes and holiday favorites. The karaoke unit will also accommodate a singer's voice range by playing the songs in different keys. Pioneer's suggested retail price for the karaoke machine is $3,000. The cost of the discs varies by size: an 8-inch disc with eight songs costs about $40; the more-popular 12-inch disc with 28 to 30 songs costs $125.

Gioia Siciliano designed her restaurant, Budokhan, in West Los Angeles, completely around karaoke after seeing it performed in Japan. "I thought it would work great in America," she says; and judging by the success of her establishment, she was right. Open Wednesday through Sunday, Budokhan offers one karaoke show per weeknight and two shows on Friday and Saturday nights. Siciliano explains that running the restaurant is a lot like booking for dinner theater. "We tell people to come early so they can eat and then enjoy the karaoke."

Seven hundred customers each week come to the 125-seat restaurant to experience karaoke. Unlike the more subdued use of karaoke in Japan, Budokhan's Americanized version makes for a lively evening. "In Japan, karaoke clubs are small, plush, very expensive places for businessmen to go and relax. It's very different in America," Siciliano explains. The music, too, is different. In Japan, the music is "Enka"—soft, melodic ballads that usually tell a story—whereas American karaoke is usually upbeat with a lot of rock music. Siciliano says that the difference between the two cultures is very obvious to the Japanese who come to Budokhan and gaze in wonder at the way the Americans have adapted karaoke.

Each table has a song menu listing 500 selections, and request cards. The customers fill in their names, the disc numbers for the songs and the song titles, and hand them to an MC who runs the show. The MC calls people up when it's their turn to sing, and they pay $1 per song.

There are many large parties at the restaurant—the average number includes 12 people—which can lead to requests coming at a furious pace. "What happens often is people who are familiar with the system will fill in their cards immediately—maybe requesting 20 songs. Then another table comes in and requests 10 songs. We have to be fair and regulate the number so that people at one table are not waiting for two hours to get their turn," explains Siciliano. They also try to mix the types of music to be played. "We might go from a ballad to a rock song to get some variety," she adds.

The restaurant is set up like a theater with a stage. There is a large screen behind the stage to the right, which plays the accompanying video, and a monitor on stage so that the performers can read the lyrics. There is a DJ to handle the changing of discs and videos in a booth separate from the stage. There is even a screen in the cocktail lounge so that the customers there can join in, too.

And join in they do. Siciliano says that the crowd usually sings along with the performers on stage and that the number of people who don't sing is very small. "If someone doesn't want to sing, the crowd will start chanting their name until they come up," says Siciliano. But she claims it isn't usually a problem getting people to go up on stage. "What usually happens is the first time they will go in a group and maybe stand in the back. But once bitten, they're addicted. And the crowd is really supportive," she adds.

Siciliano is betting that karaoke will continue to gain popularity. She is planning to redesign Budokhan early in the new year to be "state-of-the-art American karaoke." Her plans include updating the decor and menu—which offers mostly Japanese food—to be "more American." Without elaborating on her plans, she did claim that she wants to lead the pack in introducing the karaoke experience to the American public. "We draw in more and more people who enjoy it every day," she exclaims.

—Elizabeth Wallace

AUTO INPUT SELECTOR
LASER KARAO
TONE
MIC TONE
OFF
ON
LOAD THE DISC
MAKE SELECTION

WHAT'S COOKIN'?

In response to a readership survey ***Restaurants USA*** *editors have been fine-tuning the editorial focus of the magazine so that it will address the needs of the greatest number of readers. This month we are initiating a column called "What's Cookin'?" that will focus on regional trends in greater depth than is possible in "How's Business" or "Food for Thought."*

Although all of this month's stories focus on delivery trends, in the future not all items in "What's Cookin'?" will be related. Please let us know of interesting developments in your restaurant and in your area.

San Diego, CA

Doorstep diets

Thanks to Joanne Guy of San Diego, dieters can have their cake and eat it, too. Guy's innovative business, "Doorstep Diets," delivers a 900, 1,200 or 1,800-calorie-per-day diet plan to homes or offices between 6 a.m. and 9 a.m.—up to six days a week.

Guy's customers can choose to have two or three meals delivered. The meals are packaged in microwavable containers, and they are so varied, says one customer, "that not a single main dish is repeated within six weeks."

All menu items are low in cholesterol, sodium, sugar and fat, and the nutritionally balanced program is approved by the American Heart Association. A dietitian is on call to review menus and answer questions. Many of Doorstep Diets' customers, however, are not on weight-loss diets but simply enjoy the convenience and the emphasis on nutritious food.

Even performing within the calorie requirements, Guy and her staff of eight manage to prepare flavorful dishes that would never be mistaken for traditional diet fare. Spicy gourmet dishes from a variety of cuisines, such as Middle Eastern, Italian, French, Spanish, Mexican and Greek, often appear on the daily menu.

Among the items on an average 900-calorie plan, for example, might be a crusty rich wedge of Italian spaghetti pie, a whole-wheat enchilada, Greek pastitsio, delicately seasoned Oriental chicken with plum sauce and a gooey sloppy joe.

Breakfasts provide the least variety, and usually include an array of muffins, such as whole-wheat almond, banana, blueberry bran, pumpkin nut and corn. Other breakfasts include homemade crepes filled with cottage cheese and topped with fresh fruit puree, baked apples stuffed with granola, and bagels with neufchatel cheese.

Lunch usually consists of a hot main dish and fresh fruit. Dinner entrees are always accompanied by a fresh salad, and for the 1,200 and 1,800-calorie plan suscribers, a whole-wheat roll. Cookies, cakes and pies are served in portions that vary according to calorie requirements.

For five days of three meals a day, prices are $73 on the 900-calorie plan, $84 on the 1,200-calorie plan and $97 on the 1,800-calorie plan. For six days, prices are $88, $100 and $115 respectively. Lunch and dinner-only plans are about $10 less in each category.

Most of the four-year-old company's business comes from referrals, says Guy, "and we showed a profit from the beginning." In fact, she adds, business nearly doubled in 1988.

—Washington Post, New York Times

Arlington, VA

A cornucopia of delivered delights

Pam Wright has fond childhood memories of the neighborhood vegetable man, whose regular visits would leave her mother's pantry stuffed with fresh produce and other unique foodstuffs. Through Cornucopia, a personalized delivery shopping service, Wright recreates the role of the vegetable man for enthusiastic subscribers.

Wright began the Arlington, Virginia-based company more than two years ago with the intention of providing the best of what is seasonably available to a few discerning clients. Her signature item, the "traditional basket," is a country bushel-basket overflowing with an assortment of fresh fruits, garden vegetables, salad greens and trimmings, herbs and French bread. All items are personally selected by Wright during her daily treks to wholesale markets.

The baskets are available weekly in two sizes. A $25 basket serves the produce needs of an average couple for one week, and a larger basket is offered at $35 for families of four.

For those with the desire, but not the know-how, to cook at home, Wright also delivers "instant epicure" baskets. These baskets include all the fresh ingredients for a gourmet meal for four. One October menu, for example, featured 10-ounce choice New York strip steaks, fresh mushrooms in mustard cream, snowpeas, celery and greenleaf lettuce salad, a round of French bread and fresh raspberries with cream. Prices for instant-epicure meals range from $35 to $40, depending on the menu. Many of the baskets, says Wright, feature local products, such as Lee Street Heat, a fiery salsa produced in Alexandria, Virginia.

Cornucopia also delivers nine distinctive gift baskets that feature local gourmet foods and hand-crafted gift selections. The "Best-of-Virginia" basket, for example, includes Graves' Apple Butter, canned Chesapeake clams with a spicy-dip package, aromatic Virginia hunt sauce, herbed honey, sun-dried tomatoes and a unique "more-than-rice" mixture. The "Breakfast Basket" is a wire kitchen basket filled with fresh breakfast pastries, Dominique's strawberry preserves, a pound of First Colony coffee and a tin of breakfast tea.

—Restaurants USA
interview

Kalamazoo, MI

Simple meals strike a chord

In her travels around the country as a food marketing representative, Phyllis Farrell noticed a need for basic, home-delivered, healthy meals—with the emphasis on "basic." "I figured there must be a lot of homemakers who would enjoy having a good meal ready to serve," says the former home economics teacher. "Nothing fancy like a caterer might provide, just something simple and attractive to the family."

In June 1982, Farrell moved on her instincts by opening The Ample Pantry, a Kalamazoo, Michigan-based home delivery food service. Serving simple homecooked meals to a target market of professional couples, "empty nesters" and small private parties of six to 12 people, Farrell has seen her business grow to projected sales of $400,000 in 1988.

Ample Pantry's 15-member staff prepares two sets of rotating menus. The "family fare" menus include main dishes such as turkey divan, lasagna and Swedish meatballs. Selections rotate on an 11-day cycle. The "special fare" meals, which range from baby back ribs and beef kebobs to prime rib and stuffed pork chops with orange sauce, rotate on a six-day cycle. Farrell also offers a picnic basket that features herb-baked chicken, vegetables and dip, fruit, bread and brownies.

Each day's "special fare" and "family fare" selection includes salad, a fresh vegetable, fruit, bread and dessert, all of which are prepared from scratch that day. Fresh herbs from Farrell's kitchen garden are used in many of the dishes, and a fresh strawberry garnishes each flower-stencilled basket.

The considerable success of The Ample Pantry is belied by Farrell's modest aspirations. "We're not trying to say that this is the finest cuisine in Kalamazoo," she asserts. "We're simply saying, 'Let us do the cooking so you can do something else.' But we're different and unique in the marketplace because we're so basic. I think this concept would work well anywhere."

—Freelance submission by Judith Stewart

Bethesda, MD

Rent-a-chef

Foodtemps, a fullservice temporary personnel agency for the food industry, won't deliver a meal to private homes. But the company will send a chef.

In addition to supplying temporary workers for restaurants, corporations, clubs and caterers, about 30 percent of Foodtemps' business comes from private clients. According to principal Penelope Pate-Green, the demand for chefs for private clients comes in two varieties. The first is on a one-time basis for a party. The other is on a weekly or bi-weekly basis for standing clients. Often, says Pate-Green, these time-pressured clients will hire her chefs to prepare family dinners for the days ahead.

Hourly prices are based on the skill of the chef, and usually range from $15 to $40 per hour, with a four-hour minimum. In four hours, says Pate-Green, a basic cook can prepare a couple of simple meals and store them for future use. An elaborate dinner party will require a chef with a higher skill level for at least eight hours—four hours of preparation and four hours of on-the-spot work.

The idea of chefs for hire has caught on with some area chefs, too, who have branched out on their own. Several of them have steady customers who depend on them for everything from a quiet meal for two to a gourmet dinner party.

—Restaurants USA
interview
—David Slater

THE COOKBOOK EXPLOSION

The number of new cookbooks has exploded during the last few years. Since 1987 nearly 1,000 new cookbooks have been published, joining the 4,000 already on the racks. Such a prodigious output is the direct result of the widespread interest in food and cooking.

—by Ann Walker Smalley—

Gone are the days when home kitchen bibles, which combined recipes, household hints and more, were all the American cook needed or wanted to assist in preparing three meals a day. Such basic books have been supplemented by cookbooks of increasing specialization.

In fact, if there is one major trend in cookbook publishing, it is the switch from everything you need in one volume to one volume for every need. It seems that every trend and lifestyle in America has inspired a cookbook or two. The demand for convenience and speed, the interest in health and nutrition, the fascination with the famous, the interest in exploring one's roots and exotic tastes, the yen for "the good old days" and "homemade," the move back to the land and gardening, the desire for natural ingredients, are just some of the interests that have transformed the cookbook market.

Cookbooks have changed in appearance, too. Cookbooks published before the 1970s looked like the technical manuals they were intended to be—plain, with pages of recipes and a few sketches to explain the more complicated procedures. The new cookbooks are glamorous, oversized volumes, often with lavish color photographs. Many fall into the coffee-table category; more for home decorating than actual kitchen use. But even cookbooks meant to be used are illustrated with color photos or drawings. They are designed to be read easily and enjoyed. While some of this is the result of advances in publishing, it also reflects the demands of the sophisticated cook.

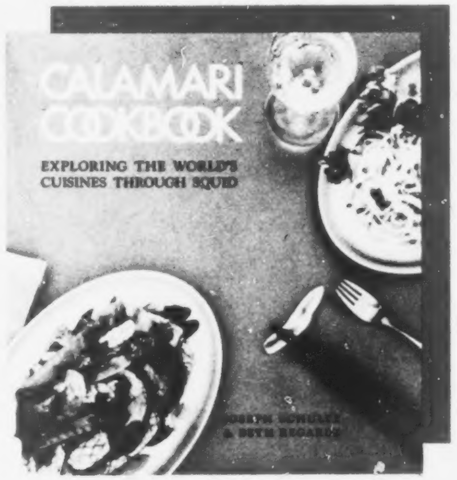
Ann Walker-Smalley, who was manager of the Information Service and Library at the National Restaurant Association for three years, has recently relocated to St. Paul.

Single topic

Cookbooks devoted to a single topic are one of the largest categories of new cookbooks. There are dozens devoted to one food in all its glory and variations, treatises on one meal, and those that explain one cooking technique. Among the very best are those on seafood or exotic vegetables. *Wild About Mushrooms* (Aris, 1987) is a clear, concise and well-organized introduction to wild mushroom cookery, with plenty of sketches and a detailed index. The book's last section—"A Cook's Mushroom Miscellany"—gives charts and indexes with foreign and scientific names, a glossary and bibliography. Other singular tastes are met by *Peppers Hot and Chili* (Aris, 1988), *Calamari Cookbook* (Celestial Arts, 1987), *Ginger East to West* (Aris, 1984), and *The Plain and Fancy Mustard Cookbook* (Globe Pequot, 1986), to name a few.

The one-meal cookbook has also become popular with the publication of such titles as Marion Cunningham's *The Breakfast Book* (Alfred A. Knopf, 1987), which give pointers on starting the day with more interesting fare than cornflakes.

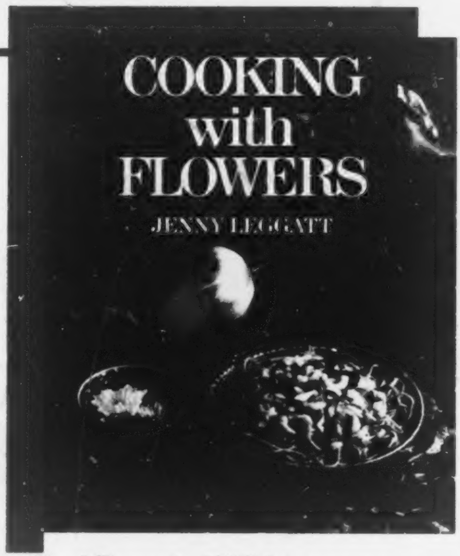
Even parts of a meal get special attention—from *Tapas* (Alfred A. Knopf, 1985)—a great introduction to these little dishes of Spain—to *The Cake Bible* (William Morrow, 1988), an encyclopedia of recipes that range from the simple to the elaborate.

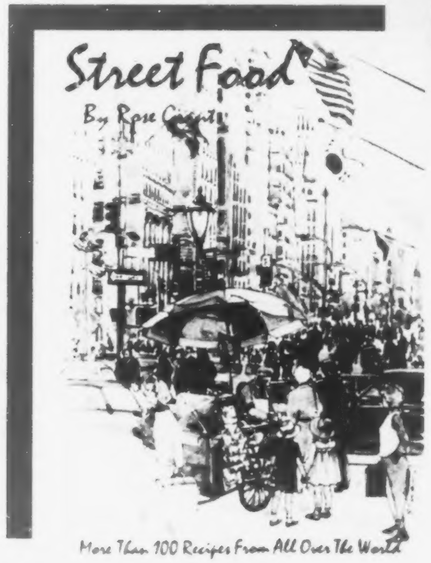


New or revived cooking techniques have inspired cookbook authors. The trend to throw everything on the grill has resulted in a half-dozen or so new books, including the excellent *The Grilling Book* (Aris, 1985) and *The Joy of Grilling* (Barron's, 1988). *The Grilling Book* gives techniques and tools for grilling that go beyond campfire basics. *The Joy of Grilling* is more traditional in its approach, but it offers complete menu suggestions and advice on barbecuing for large crowds. Other titles in this area include *Fish on the Grill* (Contemporary Books, 1986) and *Shellfish on the Grill* (Contemporary Books, 1988).

Clues to food trends

Perusing the cookbook section in a bookstore or library will give some clues about what Americans are eating. All the food trends are represented. Seafood may be the cookbook leader, with 1988 titles including *The Joy of Seafood* (Barron's), *Fish Steaks and Fillets* (Crown), *The Seafood Cookbook* (Times Books) and *The Fishmonger Cookbook* (Yankee Books). *The Joy of Seafood*, written by the chef of New York's Polo restaurant, for example, offers 150 recipes as well as a glossary of characteristics of each fish and suitable substitutes.





Microwave ovens and other labor-saving devices are embraced by those who want to get meals ready in a hurry. Cookbooks have responded to the need, with such titles as *Tasty Timesaving Cookbook* (Better Homes and Gardens, 1988), *Glamour's Gourmet on the Run* (Villard Books, 1987), *Cook Quick* (Oxmoor House, 1986), *30-Minute Meals* (California Culinary Academy, 1986) and *Microwave Gourmet* (Morrow, 1988).

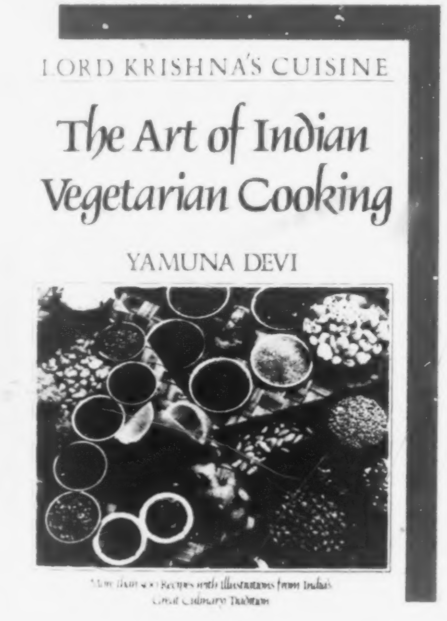
Perhaps because we are in such a hurry, we yearn for the good old days and real mashed potatoes. *Good Old Food* (Barron's, 1988) has a warm, cozy look about it as well as recipes and comments on foods from the old country that are remembered from grandmother's house. *Street Food* (Crossing Press, 1988) gives the background and recipes for many remembered foods. Jane and Michael Stern are champions in the nostalgia cookbook category. Their *Square Meals* (Knopf, 1986) is a trip back to childhood, and their *Real American Food* (Knopf, 1986) is an excellent source for regional American delicacies such as Buffalo chicken wings.

Food and history are brought together in other ways, too. Facsimiles of old cookbooks paint a picture of life and food in other eras. But the recipes may be hard to duplicate since they call for such items as "amber gum" and "emptins." *The Original Boston Cooking School Cookbook* (NAL/Plume, 1988) was first published nearly a century ago, and Dover offers *The First American Cookbook* (1988), a facsimile of *American Cookery* published in 1796. Perhaps easier to use is *Fifty Years in a Maryland Kitchen* (Dover, 1988). It has updated measurements and ingredients for the modern kitchen.

Americans are into "homemade" and growing their own ingredients. Two lovely books on using and growing fresh ingredients are *The Complete Book of Herbs* (Viking, 1988) and *Cooking with Flowers* (Fawcett Columbine, 1987). Many cookbooks mention flowers as a garnish, but *Cooking with Flowers* actually incorporates their unique flavors and beauty into a wide variety of dishes, including rose-petal sorbet, steamed lavender rabbit and multi-flower omelette.

Cookbooks devoted to low-calorie cooking or for people with dietary restrictions abound. A few years ago the Four Seasons made a big splash with its *Spa Cuisine* (Simon & Schuster, 1986) cookbook, and it is still among the best. Beautifully prepared and presented foods make the diner forget that it is "diet food."

Other special audiences have their own cookbooks. For those who choose the vegetarian way of life, there are dozens of cookbooks, including the award-winning *Lord Krishna's Cuisine: The Art of Indian Vegetarian Cooking* (Bala Books/E.P. Dutton, 1987). This 800-page volume



The reference shelf

Reference books are important in any profession, and cooking has its share of key titles. *Larousse Gastronomique: The New American Edition of the World's Greatest Culinary Encyclopedia* (Crown, 1988), edited by Jennifer Harvey Lang, is completely revised and updated. It combines the traditional with the best of the new and is a good all-around resource for the cook, especially since all the recipes have been adapted for use in American kitchens.

Culinarians interested in the "whys" as well as "hows" of food and cooking should consult *On Food and Cooking: The Science and Lore of the Kitchen,* now in paperback (MacMillan/Collier, 1988).

Here are a few other books that can answer a lot of questions.

☐ *Food* by Waverly Root (Simon & Schuster, 1980) is a dictionary of all types of food—truly A to Z.

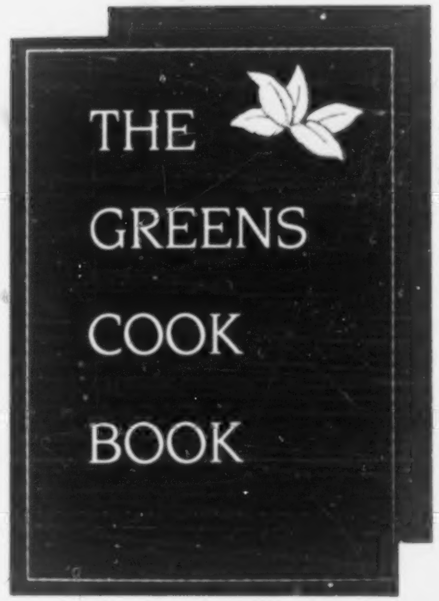
☐ *The New Larousse Gastronomique* (Crown, 1977) is the classic encyclopedia reference of many chefs. You need this one as well as the new one.

☐ *The Chef's Guide to Practical Restaurant Cooking* (Van Nostrand Reinhold, 1988) is a new reference with simple, succinct instructions for 2,000 recipes. Succinct is the key here; this is for the trained chef, not the novice.

☐ *Uncommon Fruits and Vegetables, A Commonsense Guide* (Harper & Row, 1986) is a comprehensive encyclopedia of produce. It has descriptions, sketches and recipes for everything from yuccas to kiwis. Includes a bibliography.

☐ *The Encyclopedia of Fish Cookery* (Holt, Rinehart and Winston, 1977) can help you determine which fish is which. Color photos, recipes and a full range of entries on fresh and salt-water fin and shellfish.

☐ *The Dictionary of American Food and Drink* by John Mariani (Ticknor & Fields, 1983) is useful if you need to know the history of brunch or the origin of the doughnut. It includes brief histories and descriptions of food and customs.



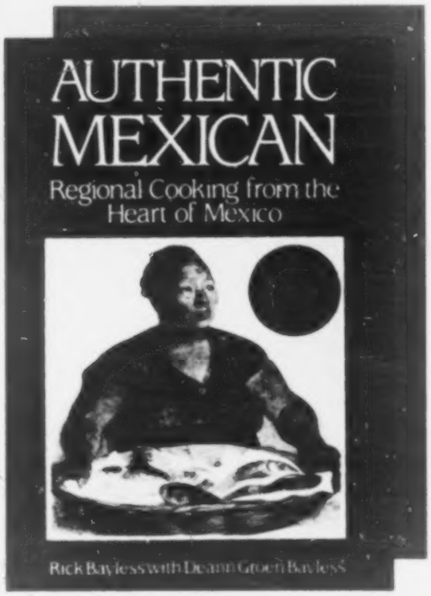
is a comprehensive discussion of this sophisticated vegetarian cuisine. The recipes are based on readily available ingredients and have been adapted to American kitchens. There are discussions of equipment, techniques and suggested sources.

As Americans have become more adventurous in their food tastes, traditional ethnic foods—Chinese, Italian and French—have been joined by more exotic fare, including: *A Taste of Lebanon* (Interlock Publishing Group, 1988), *Great Thai Cooking* (Royal House, 1988), *A Taste of Morocco* (Crown, 1988), *Persian Cuisine* (Mazda, 1988), *Fire and Spice, the Cuisine of Sri Lanka* (McGraw-Hill, 1988), *Hang Tough! Basque Cooking, Life and Ways* (Strawberry Hill Press, 1988) and *Irish Country Cooking* (Crown, 1988). *A Taste of Morocco,* for example, captures the sights and tastes of a cuisine shaped by a history of invasions and the influence of the invaders, in a lushly photographed volume. *Irish Country Cooking,* on the other hand, is laced with folklore, quotations and homespun wisdom. Its recipes for hearty Irish dishes are excellent for the upcoming winter—and, of course, St. Patrick's Day.

Even while we dream of foreign travel and exciting cuisines, Americans look for clues to their cultural and ethnic heritage closer to home. This search for our roots seeks clues in regional and ethnic foodways, making cookbooks sprinkled with history and folklore popular. Some of the more unusual ones are *A Cook's Tour of Iowa* (University of Iowa Press, 1988), *The Best of Amish Cooking* (Good Books, 1988) and *Kinfolks and Custard Pie: Recollections and the Recipes from an Eastern Tennessean* (University of Tennessee Press, 1988).

Southern cooking is a trend in itself, and several excellent cookbooks give the secrets of beaten biscuits and pine-bark stew. *Southern Food* (Knopf, 1987) explores great foods of the South in history, at home and on the road. Other titles include *New Southern Cooking* (Alfred A. Knopf, 1986) and *Craig Claiborne's Southern Cooking* (Times Books, 1987).

American regional cookbooks abound, including the bow to Southwestern cuisine: *Foods of the Sun* (Harper & Row, 1988), as well as titles with a new twist, such as *Kosher Creole* and *Kosher Cajun,* both by Pelican in 1988.


AUTHENTIC
MEXICAN
Regional Cooking from the
Heart of Mexico
Rick Bayless with Deann Groen Bayless

Restaurant tie-ins

Publishers like the regional-name recognition that a tie-in with a well-known restaurant brings to a cookbook. Regional loyalty helps sell books. *Norman Van Aiken's Feast of Sunlight* (Ballantine, 1988) is based on his Key West restaurant and incorporates the best of the local ingredients in its recipes. San Francisco's Greens restaurant has its own *The*

Greens Cookbook (Bantam Books, 1987), which offers imaginative recipes for all seasons, using fresh ingredients. Research for the cookbook *Authentic Mexican* (William Morrow, 1987) contributed to the opening of Chicago's Frontera Grill, where a full range of authentic Mexican food is served.

Chefs with wider reputations have entered the market, too. Alice Waters has written several Chez Panisse cookbooks, including the new *Chez Panisse Cooking* (Random House, 1988) she wrote with Paul Bertolli.

Television has given several chefs national name recognition, most notably Julia Child. This doyenne of TV cooking has carried the cookbook one step further by creating a six-volume series of video cookbooks (see sidebar).

What to look for in a cookbook

It is easy to see from this brief overview of recent titles that there really is a cookbook for every taste. But what do you look for in a cookbook—besides recipes? Great cookbooks provide indexes to the ingredients in the recipes. This way, if you have a surplus of an item or two, you can find recipes in which that item may not be a title ingredient.

Instructions should be precise and complete. You should not be left with ingredients at the end because they were not mentioned in the instructions. If the instructions say "fold the pastry like a flag" or similar poetic allusions, the cookbook should tell you which flag and give an illustration. If the cookbook is a reissue of a foreign version, measurements should be converted for you. It should not be necessary to cook with your calculator. Unusual or foreign terms should be translated.

Photographs of the expected result are helpful, especially for complicated procedures. Photographs used as illustrations should give the exact recipe title and the recipe page number in the caption. Captions for photographs of many finished products should clearly distinguish what's what. It is frustrating to look at a photo of a dozen kinds of cookies and then try to figure out which one is really "Snowdrops." Drawings as illustrations should also be clear and well-labelled. If the recipes call for unusual ingredients, it is helpful for the cookbook to include a list of mail-order suppliers.

And because cookbooks give us great inspiration and satisfaction, a great cookbook is always entertaining to read. ❑

Publish your own

So you have an idea for a cookbook. Here are two books you can turn to for advice.

☐ *How to Write and Publish a Classic Cookbook* (NAL/Plume, 1987) is written by two consultants who learned their trade managing the compilation and publication of Junior League cookbooks. The advice and encouragment in this easy-to-follow guide will benefit anyone with a cookbook idea. The guide discusses both self-publishing and trade publishing, where to find recipes and how to test them. It also discusses the mechanics of publishing and marketing.

☐ *How to Write a Cookbook and Get It Published* (Writers Digest Books, 1984) discusses three approaches to getting a cookbook published—self-publishing, trade publishing and personal publishing (limited editions for family and friends). The section on finding or creating recipes, testing them and then writing the instructions clearly is very complete. The design and illustration of cookbooks as opposed to other books is considered. The various cookbook markets and ways to approach them are discussed.

It's on tape

Is a picture really worth a thousand words? Cookbook publishers hope so, if the recent wave of video cookbooks is any measure. A wide variety of instructional cooking videos are available, and they do have some advantages over the printed word, particularly for complicated or unfamiliar procedures. A demonstration you can watch—and then watch again—beats any number of pages of explanation. The best of the videos are designed as reference works, with different "chapters" of information. Using videotapes for cooking instruction requires patience—and a VCR with rewind, fast forward and freeze frame. These features make finding a particular bit of information much easier.

Julia Child keeps us entertained through her six-volume *The Way To Cook* (Random House Home Video). Each of the tapes addresses a specific area of cooking—from meat and poultry to first courses and desserts. She is, of course, the household name of on-screen cooking and she is just as lively here as she has been all those years on PBS.

Other famous names have videos, too, including *Spago: Cooking with Wolfgang Puck* (Warner Home Video) and *Madeleine Cooks Chicken* (Bregar Video). *Jacques Pepin's Guide to Good Cooking* (Videocraft Classics) is a multitape series offering some basic techniques. Titles include the *Secrets of a Master Chef, Jacques Pepin on Soup, Fish, Bread and Rice, etc.* and *Jacques Pepin on Meat, Salads and Pastry, etc.*

Videocraft Classics has an entire roster of famous cookbook authors on its screen. Bert Greene of *Greene on Greens* and *Greene on Grains* has produced *The Vegetable Lover's Video Cookbook.* Others include *The Four Seasons Spa Cuisine Video Cookbook with Seppi Renggli* and Giuliano Bugialli's *A Guide to Italian Cooking.*

These videos come with cookbooks to accompany the filmed instructions. Don't buy a video that doesn't. It's not possible to entirely abandon the printed word.

Viewpoint

Medal-Hungry Wines

Might Steal the Limelight from Your Cuisine

by Robert L. Pepi

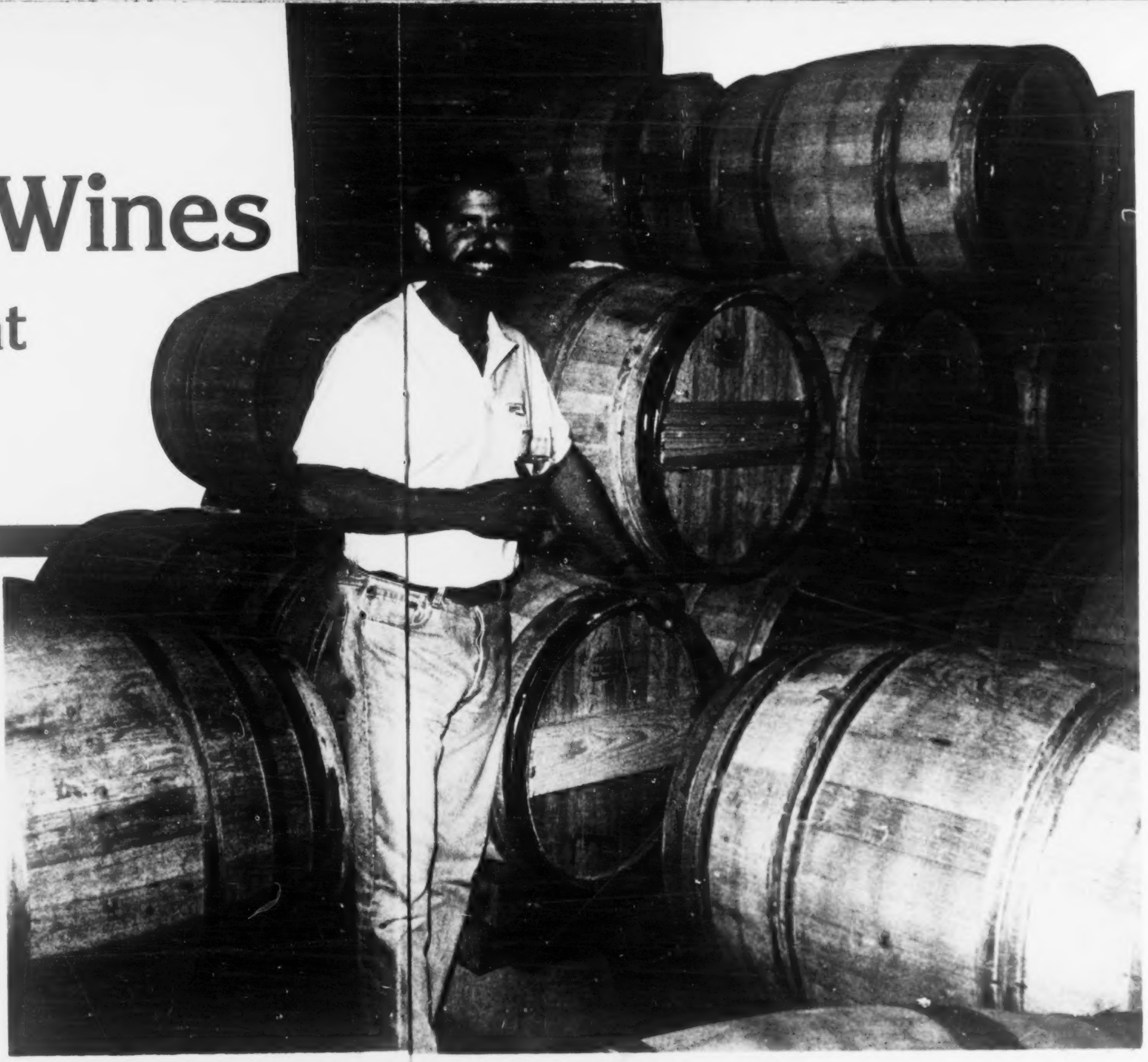


Table six is celebrating a special occasion. They've chosen your restaurant because they want everything to be perfect—the right atmosphere, fine service, superb food and a pleasing wine as an accompaniment. Unfortunately, it may be that last element that taints the entire evening.

Your wine list may have been carefully chosen to emphasize award-winning wines (blockbusters that haul in medals at competitions), but these are often the wrong ones to serve with a meal. Designed to stand out among hundreds of other wines, gold-medal champs too often overpower food and dominate the meal.

Sure, with the hundreds of wines out there, medals help distinguish some wines from others, and they make your selling job easier. After all, when evaluating which wines to sell, don't you always ask, "which *will* sell?" If your sole motivation is profit, a wine list crowded with gold medalists is the answer.

Medal-winners may work against you

Certainly wine sales can be a profit center for your operations, but to more and more diners, a fine wine is part of a complete dining experience. It's only part of what draws Mr. or Ms. Diner back to your restaurant, and award-winning wines may not always enrich your customers' dining experience. Wouldn't you rather spend a little more time selling a bottle that shows off the food of which you have every right to be proud?

An award-winner can be a food wine, of course. Many of the best food wines have a slew of awards to their credit. The wines I work so hard to match with foods, for instance, have managed to gather their fair share of medals. But avoid the trap of believing that every prize-winner is a natural with foods—more often than not you'll founder, or more accurately, your food will appear to founder.

I strive to make complex wines that are balanced. I am constantly evaluating my wines against a meal. Does it overpower? Are they showcasing? What does the food do for the wine? What does the wine do for the food?

A glance at most wine reviews, however, shows that wine critics and judges are looking for a different set of criteria—a strict adherence to traditional, bolder styles. Hundreds of wines are tasted without food. Is it any surprise, then, that the recommended wines aren't necessarily ones that enhance foods but wines whose components are so striking that they overwhelm your cuisine as well? It's like making a veal scallopini dish where the marsala is too obvious; sure the flavors stand out, but is the dish balanced and enjoyable?

I'm not faulting that kind of judging. It's hard for any but the boldest, sometimes one-dimensional wines to stand out after senses have been numbed by 100 or 200 wines judged in a few hours. The downfall is the misuse, or worse yet, blind acceptance of those judges' work. Wine drinkers assume that the bottle with the most awards is automatically the best. They don't find out otherwise until an award-winning, blockbuster Cabernet sends their lamb chops scampering back to the kitchen.

How to build a list

How do you build a wine list that complements your meals, enhances your customers' evening and continues to be a profitable part of your restaurant operations?

The first step is to enjoy yourself while preparing that list. When you have a bite to eat at your restaurant, enjoy it with a glass of wine from your list or one that you are thinking of adding to your list. See how it marries with your food. You judge your food by its balance and pleasing array of flavors; rate the wine similarly. You'd no more want the flavor of rosemary or garlic to be predominant in a dish than you'd want a California Chardonnay to smell and taste of obvious oak.

When selecting wines, remember your chef. Encourage him or her to become familiar with all the wines that will be paired with your menu. After all, he or she tastes all the other ingredients in the dishes—why not the wine?

Another approach to building a wine list is to turn some of the judgment over to your better customers. These are people who enjoy your restaurant and know your foods. By offering them a new bottle of wine to try with their meal, you'll not only get an honest appraisal, but also make them feel part of the decision-making process. To some extent, the premium wine-by-the-glass program is an extension of this idea. If you're unsure of whether or not to put a wine on the list, buy a few bottles or cases, offer it by the glass and see what type of reception it receives.

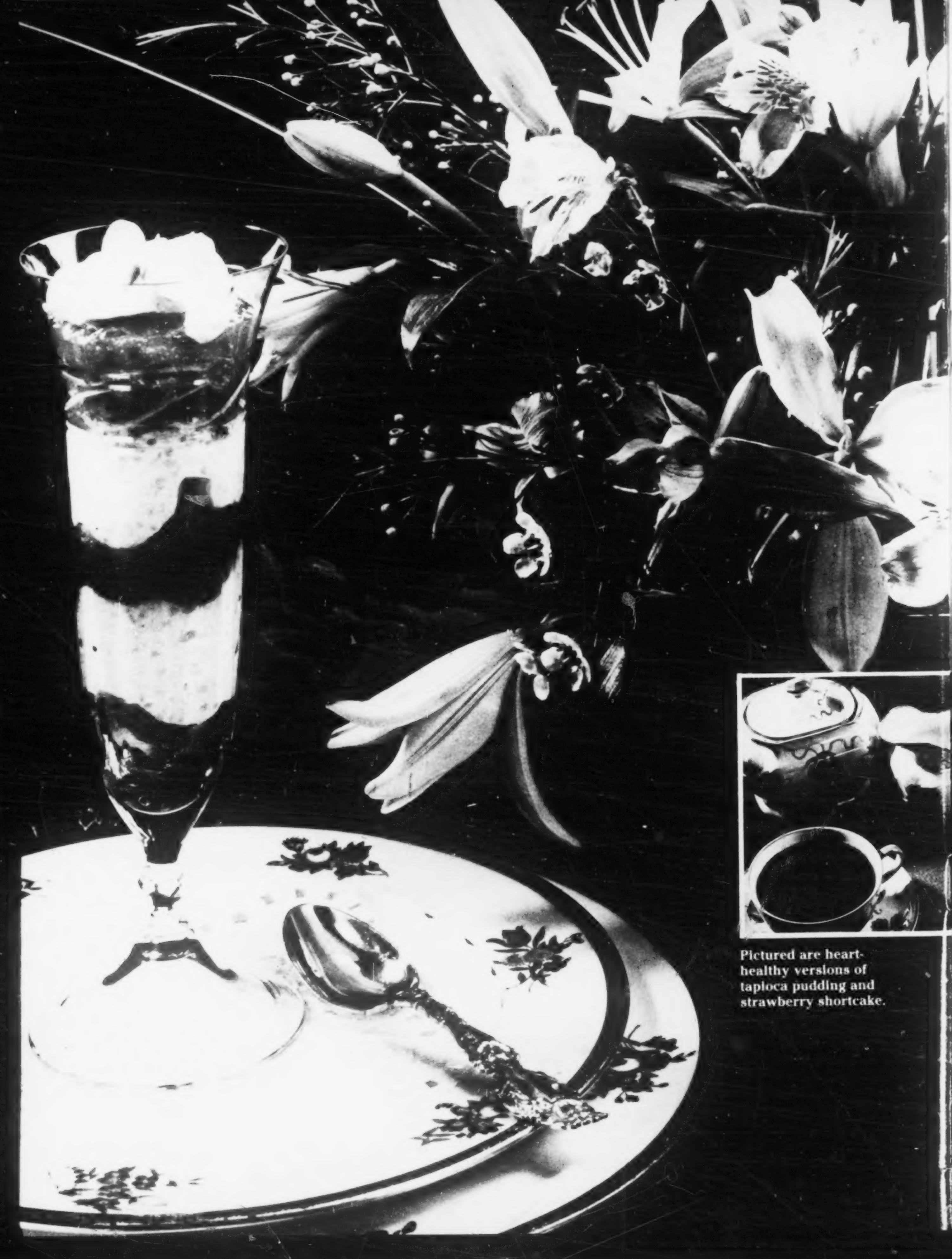
Finally, from a sales standpoint, your waitstaff is your most valuable resource. After all, they are your direct contact with the customer. If they are making the customer feel at ease, it's more likely that the diner who came in for a brief two-course meal will extend his or her meal to three or four courses—especially when the waiter can offer a glowing description of an entree or waxes eloquent over a not-to-be-missed dessert.

The same is true of wine sales. An informed, friendly waiter can do wonders to increase your wine sales. The more opportunity you give your staff to try wines from your list with food from your menu, the better salespeople they will become for your establishment. Let them experience for themselves how certain wines can set off certain dishes. Soon they'll be recommending wines as easily as an appetizer or a dessert.

This is more work than simply leaving customers to pick wines from a medal-crowded menu, but there are two positive results that come from the additional time and training. First, your customers, with help from the waiters, are more likely to order more than they would have if left to their own devices. Second, most diners are excited about trying something they are not familiar with—something they haven't had at home. They are not coming to a restaurant to have the same food they can cook at home, so why expect them to order only wines they drink at home?

Have fun compiling your wine list. Seek input from others. There are no perfect wine-food combinations because people's tastes are different. But there are some wines, because of their complexity and balance, that will appeal to a broader range of diners and marry better with more of your foods. ❑

Robert L. Pepi and his father own and operate the Robert Pepi Winery in California's Napa Valley. As a winemaker, Bob is dedicated to making wines that complement the flavors of fine foods.



Pictured are heart-healthy versions of tapioca pudding and strawberry shortcake.

SWEET ALTERNATIVES

Low-Fat, Low-Cal Desserts that Taste Good

by Gary M. Stern

Many consumers—particularly those over the age of 40—have been told by their doctors to lower their cholesterol rate, reduce their weight and/or avoid the saturated fats that dominate most desserts. For these customers, there are sweet alternatives.

Although they realize that pies and cakes are holding their own with sugar-craving Americans, savvy restaurateurs have turned to alternative desserts to boost sales for those diners who will not or cannot order rich treats such as cheesecake, super-premium ice cream or chocolate mousse.

Many restaurateurs have been working with local heart associations to create alternative desserts. In 1987 the Chicago Heart Association, for example, sponsored a much-publicized dessert contest open to all area restaurants. Each dessert had to be low in cholesterol or cholesterol-free, low in saturated fats and low in calories. The winning recipe came from chef Gale Gand of Melange restaurant in Wilmette, Illinois: Sorbet Terrine with Mint-marinated Oranges. It had no fat of any kind, no cholesterol and only 160 calories per serving.

According to David Jarvis, executive chef at Melange, sorbets are a perfect choice for a low-calorie dessert alternative. "Sorbets are not so dietetic, but they are still flavorful. They give you the full flavor of a dessert without the calories of a chocolate cake," he notes.

SORBET TERRINE WITH MINT-MARINATED ORANGES

Serves 8

Ingredients:

3 flavors of sorbet of contrasting colors (suggested combinations are strawberry, lemon and orange; or raspberry, cassis and grapefruit)
2 mint tea bags
½ cup sugar
4 oranges

Method:

Bring 4 cups of water to boil. Pour into a bowl and add tea bags and sugar. Let steep while preparing the oranges.

Peel oranges with a knife, removing the white pith. Cut section of oranges by cutting between the membranes to remove wedge of fruit. Add all orange sections to tea and let marinate overnight.

Line a loaf pan with foil. Spoon sorbet into pan in layers, one flavor at a time, freezing 30 minutes before spooning in the next flavor. After all three flavors have been layered, cover and freeze overnight.

To serve: Turn sorbet terrine out of loaf pan onto a plate and peel off foil. If terrine doesn't turn out easily, rub loaf pan with a hot wet towel and then try again. Return it to freezer for 30 minutes.

Place one 3-ounce slice of terrine on each of eight plates and garnish with marinated orange sections. Serve immediately.

Jarvis follows a prescribed sorbet recipe that includes taking a simple syrup, adding a puree and freezing it in an ice-cream machine. Only a minimal amount of sugar is added, enabling the dessert to maintain its low-calorie level. Because the waitstaff can inform patrons that sorbets are tasty but low in calories, servers are key to promoting sorbets.

Low-fat, low-cholesterol options

In December 1988, the Washington Hospital Center created 14 mouth-watering but not heart-stopping desserts—to offer consumers concerned about cholesterol, saturated fats and sodium a sweet alternative for the holidays. Many of these dishes were adaptations of American favorites, such as bread pudding, strawberry shortcake, tapioca pudding and whipped cream. Although they are not all low in calories, they all meet the clinical guidelines for those concerned with the health of their hearts.

"We did this not because low-fat desserts are a means to a healthy heart, but because we're realists who recognize that people need choices beyond no dessert or death by dessert," explains Dr. Joseph Lindsay, Jr., chairman of the division of cardiology at the Washington Hospital Center. "The recipes pay close heed to

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Gary Stern is a freelance writer in New York City.

the dietary restrictions of those wishing to prevent heart disease as well as those recovering from cardiac disorders. Eaten in moderation, these desserts are not damaging to the heart."

TAPI-APRICOTA WITH BRANDY SAUCE

Serves 6

Ingredients:
3 egg whites, room temperature
⅓ cup sugar
3 Tbs. Minute Tapioca®
2 cups skim milk
2 oz. (1/2 carton) Scramblers® frozen egg substitute, thawed
2 tspns. vanilla extract
1 (10.25 oz.) jar apricot jam
Brandy sauce (1/2 cup Washington Heart® whipped topping* plus 1 Tbs. apricot brandy)
1 or 2 Tbs. sliced, toasted almonds for garnish

Method:
In a medium bowl, beat egg whites until thick and foamy. Gradually add sugar and continue beating until sugar is dissolved and the mixture stands in soft peaks. Set aside.

In a 3-quart saucepan, mix tapioca, milk and the egg substitutes; let stand for 5 minutes to thicken. Cook over low heat until mixture boils. Add vanilla and then fold in the beaten egg whites.

Fill a stemmed goblet half full with pudding. Layer apricot jam about 1/2 inch thick over the pudding; add another layer of pudding to 1/2 inch from the top. Dollop 1 Tbs. of the brandy sauce on each serving. Sprinkle with toasted almonds.

Variations:
☐ **Raspberry**—substitute raspberry jam for apricot jam in pudding and raspberry liqueur for brandy in topping
☐ **Chocolate**—blend 2 Tbs. cocoa into sugar before beating it into egg whites, and substitute 1 Tbs. coffee liqueur for brandy in topping
☐ **Peach**—substitute peach preserves for apricot jam in pudding and substitute 1 Tbs. peach schnapps for brandy in topping

Nutritional information per serving: 234 calories, 2.6 grams fat (0.4 grams saturated fat), trace cholesterol, 50 milligrams sodium

*WASHINGTON HEART WHIPPED TOPPING®

Makes 4 cups

Ingredients:
1 ½ tspns. unflavored gelatin
¼ cup water
2 Tbs. confectioners' sugar
½ tspn. vanilla extract
¼ cup chilled evaporated skim milk

Method:
In small pan, sprinkle gelatin over water; heat slowly, stirring until gelatin dissolves. Pour into small bowl of electric mixer. Add confectioners' sugar and vanilla; cool. Add evaporated milk; beat at high speed until very thick—like whipped cream. Cover and refrigerate.

Nutritional information per 2 Tbs. serving: 4 calories, trace fat, trace saturated fat, trace cholesterol, trace sodium.

Alternative desserts can taste good

Many restaurateurs presume that diet desserts will prove deadly and will turn off all but the most dedicated of dieters. But this is not so. One of the reasons is that inventive chefs are proving that alternative desserts don't have to be lackluster. Even a wedding cake was adapted by the Washington Hospital Center to be truly a sweet heart treat. "We tried to get a good cross between nutrition and quality," explains Rosemary Cox, R.D., who helped New Jersey food columnist Dixie Anderson develop the recipes the hospital released in December.

Cookbooks have good ideas, too. In the soon-to-be-reissued cookbook *Great Desserts* by *Food & Wine* magazine, there is a lightened version of the classic *pots de creme au chocolat,* called Chocolate Silk. It weighs in at only 160 calories per serving, and could be just what a deprived chocoholic might dream of to finish off a special meal. The calories can even be reduced further if some of the high-fat dairy products are replaced with lower-fat items; such substitutions would, of course, make the dessert more suitable for those on low-fat restrictions. If, on the other hand, whipped cream (¼ cup for 6 servings) is added with 1 tablespoon of coarsely chopped blanched pistachio nuts, the calorie count will edge up to 200 calories per serving, and the fat content will grow.

CHOCOLATE SILK

Serves 6

Ingredients:
6 Tbs. sugar
¼ cup sifted, unsweetened cocoa powder
2 Tbs. sifted cornstarch
1 tspn. unflavored gelatin
1 cup half-and-half
1 cup skimmed evaporated milk
⅔ cup milk
2 jumbo egg yolks, lightly beaten
2 tspns. vanilla extract

Method:
In a large heavy saucepan, combine the sugar, cocoa, cornstarch and gelatin, pressing out all lumps. Add the half-and-half, evaporated skim milk and regular milk; whisk vigorously to blend. Set the pan over moderately low heat and cook, stirring constantly with a wooden spoon, until the mixture just boils and is thickened and smooth—about 10 minutes.

Blend a little of the hot mixture into the beaten egg yolks, then stir the warmed egg yolks back into the pan. Cook over moderately low heat, stirring constantly for 3 to 4 minutes. The mixture must not boil or the eggs will scramble. Remove from heat and stir in vanilla. Set the saucepan on a rack to cool for 10 minutes, stirring frequently to prevent a skin from forming on the surface.

Ladle the mixture into six decorative 4-ounce pot de creme cups or white porcelain ramekins and cool completely. Cover each cup with plastic wrap, then refrigerate at least 5 hours or overnight.

Customers will buy them

Is it worth the trouble to create alternative desserts? Yes, say restaurateurs. However, the track record has been longest with low-calorie items, since low-fat, low-cholesterol alternatives are just entering the market.

The restaurants at the Ritz-Carlton and Marriott hotel chains, for example, have proven that low-calorie desserts can increase dessert sales if they are marketed properly and made appealing enough. Henri Boubee, executive chef of the Ritz-Carlton Buckhead hotel in Atlanta, worked with representatives of the American Heart Association to devise appetizers, entrees and desserts that conformed to health guidelines. The fitness-cuisine menu has been so popular that 60 percent of luncheons and 30 percent of dinners are ordered from it.

Each appetizer, entree and dessert is listed with its calories. Many of the fitness desserts have been selling themselves, says Mary Alexander, director of public relations for the hotel, and need no extra marketing from the staff. She estimates that 50 percent of desserts ordered at lunchtime are from the fitness-cuisine menu.

Boubee says that devising lower-calorie desserts involves a new way of thinking for chefs. "In the old days we used cream and sugar. But now things are wide open."

Fruit serves as the foundation of most of Ritz-Carlton's lower-calorie desserts. Sugar may be added for flavor and consistency, but only in the smallest of doses. Skim milk, fructose and ricotta cheese replace cream and sugar as main ingredients.

Sometimes diners are surprised by their desserts. Two patrons, served a special dessert made with ricotta cheese, wanted to return it to the kitchen. "We can't have whipped cream," they informed their waitress. Told that the ingredient was low-calorie ricotta cheese, they changed their minds and cleaned their plates.

THE RITZ-CARLTON'S RICOTTA-CHEESE TORTE

Serves 6

Ingredients:
1 tspn. vanilla extract
3 ozs. puff-pastry dough
1 cup skim-milk ricotta cheese
2 tspns. fructose
1 lemon
Raspberries

Method:
Roll out puff pastry dough and cover tart shell. Bake. Cool. Combine vanilla, fructose and cheese. Fill tart shell and garnish with lemon and raspberries.

"There are a lot of people looking for lighter fare, lighter desserts and fruit alternatives," says Sue Halsey, director of food and beverages for the Marriott Corporation. Last summer Marriott Corporation restaurants ran a special promotion that featured a lower-calorie cheesecake, made with Equal®. It amounted to 300 calories per slice, half the amount of the traditional cheesecake. Although Marriott recipes are confidential, Halsey says the ingredients of the "American Dream Cheesecake," as the item was called, included neufchatel and ricotta cheeses, fresh lemon juice, gelatin, vanilla and a graham-cracker crust.

At Chez Eddy in Houston an even less caloric cheesecake was developed, weighing in at only 260 calories per serving.

Chez Eddy is a unique restaurant, founded by the Methodist Hospital's Institute for Preventive Medicine. Every item on its menu adheres to the American Heart Association's recommendations on fat content; however, the restaurant also strives for customer appeal, since it is operated as an upscale restaurant.

Lois Nenes, Chez Eddy's general manager, admits that creating low-calorie desserts takes ingenuity. "When you try to modify desserts, most of all you lose texture—the texture of fat. There's nothing you can do to really replace whipped cream or butter," she says.

Through experimentation, Chez Eddy's chefs have invented two very popular desserts—Coupe Chez Eddy, which is a mixture of low-fat yogurt and strawberries and the low-fat cheesecake. Although the cheesecake does not have the creaminess of a New York-style cheesecake and it takes longer to prepare because the ingredients must be whipped a long time, the item has been a good seller.

LOW-FAT CHEESECAKE, CHEZ EDDY

Serves 12

Ingredients:
2 lemon rinds, grated
2 orange rinds, grated
40 ozs. part-skim-milk ricotta cheese
20 ozs. neufchatel cheese
34 ozs. plain yogurt
4 whole eggs
1½ cups liquid egg substitute
2¼ cups honey
1 Tbs. plus 1 tspn. vanilla
½ cup flour
½ cup arrowroot

Method:
Preheat oven to 350° F. In food processor cream ricotta, neufchatel cheese and yogurt. Put into large mixing bowl; beat at medium speed. Add lemon and orange rinds. Beat in eggs, one at a time, and add egg substitute 1/4 cup at a time. Add honey, vanilla, flour and arrowroot. Pour into a buttered (use margarine), floured springform pan. Place in a water bath of cold water halfway to top.
Bake 1½ hours.

Few commercial products

There are few, if any, high-quality commercial products that restaurateurs can turn to to meet the low-fat, low-calorie needs of their customers. In fact, many dessert manufacturers consider dessert and low-cal to be a contradiction in terms and haven't tried to develop less-fattening treats because they say "the products don't taste right," "the commercial market isn't there," and "people can cut back on calories in other ways." Those who have tried to develop an alternative fight with the aftertaste that artificial sweetners often leave behind, especially if they are heated. When the new fat-substitute products—Proctor and Gamble's Olestra and NutraSweet's Simplese—enter the market, manufacturers may be able to switch to controlling fats. Simplese is expected to be used in ice cream, margarine, yogurt-processed cheese and a range of other products. Olestra will be used in cooking oils and similar products. ❑

1989 wholesale food price outlook

Here is a forecast of food prices for 1989, based on the 65th annual Agricultural Outlook Conference, held by the U.S. Department of Agriculture (USDA) in December 1988.

1988 will be remembered as the year of the drought. Parts of the United States experienced the worst heat and dry weather since the dust-bowl summers of the 1930s. The drought produced large-scale crop failures, particularly for wheat, grain, soybeans and corn. The 1988 harvest for these crops is expected to be down by more than 20 percent from 1987's total.

Much of the agricultural community weathered the drought surprisingly well. Livestock farmers used built-up feed inventories and imports to meet animal-feeding needs, and poultry and egg producers were fortunate not to suffer any major animal kills as a result of the heat.

As a result, USDA estimates that 1988 retail food prices will come in at 4 percent above those of 1987—a forecast that is in line with the 3 to 5 percent estimate USDA made at the 1987 Agricultural Outlook Conference. For 1989, USDA is calling for a similar 3 to 5 percent increase in retail food prices.

□ **Beef.** Beef production is expected to decline by as much as 7 percent in 1989 to its lowest level since 1980. The fall-off in production is related to record-low cattle inventories; as of January 1, 1988, U.S. cattle inventories dropped below 100 million head for the first time since 1961. Although USDA expects cattle numbers to begin to expand in 1989/90, expansion will probably be slow, and inventory could remain below 105 million head until at least the mid-1990s. There are prospects of increased exports due to the recent opening of the Japanese beef market, but cattle producers are likely to exercise caution in expanding herd size.

Lowered production in 1989 should result in higher wholesale cattle prices. USDA projects that prices for Choice Omaha steers will average in the mid-$70s per cwt in 1989, compared to 1988's $70 average. Price increases for retail beef are expected to be buffered somewhat by lower poultry and pork prices. After going up nearly 5 percent in 1988, retail beef prices may rise only 1 to 3 percent in 1989.

□ **Pork.** Commercial pork production is likely to rise in the first half of 1989 but is expected to decline in the second half of the year; total production for the year should equal the output of 1988.

Hog producers bolstered inventories about 14 percent between mid-1986 and mid-1988 in response to increased profit margins and expectations of pork's becoming the new "white meat." However, inventory growth slowed by mid-1988, as the drought substantially raised feed costs and caused an increase in hog supplies, pushing down the price of barrows and gilts to the mid-$30s per cwt by the fall quarter. Returns to hog farmers fell below the break-even point in the last several months of 1988, prompting a reduction in future breeding herds.

In 1989 barrow and gilt prices are expected to average $42 to $48 per cwt, compared to 1988's average of about $43. Retail prices are estimated to advance 1 to 3 percent in 1989.

□ **Poultry.** 1989 is expected to be another year of strong poultry production and demand. Broiler production is projected to rise 3 to 5 percent in 1989, after gaining 4 percent in 1988. Most of the production increase should occur in the second half of 1989. Broiler production should also increase in the years ahead, as the poultry industry continues to market broiler meat as being healthy and easy to prepare.

Annual wholesale broiler prices in 1989 are unlikely to average much above 1988's level. First-quarter 1989 broiler prices are forecast to average 50 to 56 cents per pound, up from the 45 cents for the same period last year. But second and third-quarter 1989 prices should be between 53 and 59 cents per pound, compared with 56 and 66 cents during 1988. Prices should also decline in the fourth quarter to between 47 and 53 cents per pound, as seasonal barbecuing and summer vacations end.

Turkey production is forecast to advance 3 percent in 1989, following a 6 percent gain in 1988 and a 17 percent jump in 1987. Strong consumer demand

Projected wholesale food prices

Most prices will edge upward in 1989

Commodity	1988 (preliminary)	1989 (projected)
Beef ($/cwt)[1]	$69 to $70	$71 to $77
Pork ($/cwt)[2]	$43	$42 to $48
Broilers (cents/lb.)[3]	56 cents	52 to 56 cents
Eggs (cents/dozen)[4]	61 cents	65 to 71 cents
Milk ($/cwt)[5]	$12.14 to $12.24	$12.24 to $12.74
Turkeys (cents/lb.)[6]	62 to 64 cents	68 to 74 cents

[1] *choice steers—Omaha*
[2] *barrows and gilts, a seven-market average*
[3] *12-city average*
[4] *cartoned, grade A, large white eggs in New York City*
[5] *Minnesota-Wisconsin, 3.5 percent fat*
[6] *Eastern region, 8 to 16-pound hens*

Source: U.S. Department of Agriculture coupled with positive profit margins is inducing turkey farmers to increase production. Wholesale turkey-hen prices are predicted to rise in 1989 to between 68 and 74 cents per pound—up from the 62 to 64 cents per pound projected for 1988. Turkey prices in the first half of 1989 should be higher than prices for the same period in 1988, but prices in the second half of the year are anticipated to be below last year's levels.

□ **Eggs.** As a result of slackening consumer demand for eggs (per-capita consumption is expected to fall to 242 eggs in 1988 and 235 in 1989) and negative profit margins over the last 18 months, egg producers are cutting back egg-laying flocks.

Therefore, egg production is anticipated to decline 1 percent in 1988 and 2 percent more in 1989, driving up egg prices in 1989. First-quarter prices, at 66 to 72 cents per dozen, are forecast to be well above the 55 cents of 1988, and second-quarter prices are expected to average between 63 to 69 cents, up from the 53 cents recorded in the same period last year. As the holiday baking season gets under way, third-quarter egg prices should pick up to between 69 and 75 cents per dozen; and the fourth quarter should see prices jump to between 74 and 80 cents.

□ **Milk.** The drought had a significant effect on the dairy industry in 1988. Higher feed costs pressured farmers to increase cow slaughter rates above 1988 levels, causing a decline in dairy cow herds. At 10.2 million, the number of dairy cows on hand in 1988 was the lowest on record. Yet, despite a record low in total herd size, milk production rose 2 percent in 1988 to reach an all-time high. This was a result of a 3 percent increase in milk output per cow, caused by an increase in mechanized milking techniques and more cows

Hourly wage survey for 1988

According to the National Restaurant Association's 1988 survey of wages for hourly employees, median wages range from a high of $9.80 for chefs to a low of $2.35, excluding tips, for waiters and waitresses.

The survey, which updates a similar association study conducted in 1986, is based on responses from almost 5,000 participating foodservice operators and covers more than 318,000 hourly employees. Conducted between July and September 1988, the survey focuses on hourly wages for 15 foodservice occupations—from bartender and busperson to salad-prep worker and short-order cook. The table shows median wages as well as wage ranges for each of the 15 occupations.

Additional survey results report wages on a regional, state and, in some cases, substate basis. This information is available by contacting the association's Information Service Department at 1200 Seventeenth Street, N.W., Washington, DC 20036 or by calling (202) 331-5900 or 1-800-424-5156.

1988 wage rates for hourly employees

The association survey covered hourly wages for 15 foodservice occupations

Type of hourly employee	Median hourly wage[1]	Lowest hourly wage paid, median[2]	Highest hourly wage paid, median[3]	Number of employees	Number of respondents
Chef	$9.80	$9.00	$10.00	4838	1922
Cook	5.71	5.00	6.75	22172	3675
Assistant cook	5.00	4.50	5.50	9869	2057
Baker	5.75	5.50	6.25	2307	909
Short-order cook	4.64	4.50	5.50	9865	1108
Salad-preparation worker	4.75	4.25	5.00	11194	2104
Janitor/porter	4.57	4.25	5.00	6803	1656
Host/hostess	4.75	4.50	5.00	16940	2444
Waiter/waitress	2.35	2.25	3.00	99143	3322
Busperson	3.50	3.35	3.75	19324	2429
Cafeteria server	4.25	4.25	5.25	4353	263
Counter worker (fast food)	3.90	3.50	4.75	60492	789
Dishwasher	4.25	3.75	4.35	23939	3270
Cashier	4.50	4.25	5.00	13133	1255
Bartender	4.75	4.50	5.50	14016	2297

[1] Median hourly wage is weighted based on average hourly wage reported by each respondent weighted by number of employees. It is possible for weighted medians to fall outside the unweighted low to high range.
[2] Lowest hourly wage paid is median reported by respondents, unweighted by number of employees.
[3] Highest hourly wage paid is median reported by respondents, unweighted by number of employees.

Note: *For tipped employees, data represent cash wages, excluding tips.*

Source: National Restaurant Association survey conducted July-September 1988. Data are reflective of survey respondents and are not necessarily representative of the industry. Data should not be considered industry standards.

bred with larger udders. The USDA predicts 1989 milk production should equal 1988's total.

Commercial use of milk and milk byproducts is estimated to rise between 1 and 3 percent in 1989. Combined with an increase in milk price supports—a result of drought-relief legislation—1989 milk prices are forecast to be slightly above their 1988 levels. Wholesale milk prices for 1988 should range between $12.14 and $12.24 per cwt, and they are expected to climb 10 to 50 cents in 1989.

☐ **Fruits and vegetables.** The 1988/89 U.S. citrus crop is forecast to advance 8 percent over 1987/88 levels. While the crop continues to recover from the devastating freezes of the early 1980s, it has yet to reach the record levels of the 1979/80 season. Nonetheless, even with expected stable consumer demand and strong export markets, 1988/89 citrus prices are likely to be below those in 1987/88. Large crops are forecast for all citrus fruits with the exception of tangelos.

The 1988 noncitrus crop is expected to be down 9 percent from 1987's level. The adverse weather from the drought, coupled with the tree stress created by 1987's bumper harvest, all contributed to smaller crops—especially for apples, pears, apricots, cherries, prunes and plums. As a result, prices for these items in early 1989 are likely to be higher than they were in 1988.

The drought of 1988 also reduced output for fresh and processed vegetables, by an estimated 6 to 8 percent. Reduced supplies should result in a 5 percent increase in retail vegetable prices for 1988, despite stronger imports and abundant holdover supplies. The 1989 vegetable crop outlook will hinge on a number of factors, such as a return to normal weather patterns, increased competition for arable land and the growing public concern with food safety issues.

However, harvested acreage for all fresh-market vegetables in 1988 is expected to increase over the previous year. USDA projections for major fresh-vegetable production through 1992 call for an increase of 1.3 percent per year. As crop supplies return to more normal levels, prices for fresh vegetables should not show as great a percentage increase in 1989 as they did in 1988.

—Sebastian O'Kelly

1987 employee turnover rates

For the third consecutive year, the National Restaurant Association, in conjunction with the accounting firm of Laventhol & Horwath, has compiled data on employee turnover rates.

In the survey conducted for the *1988 Restaurant Operations Report*, operators were asked to specify how many W-2 forms their restaurants sent out last year. The number of W-2 forms provides a measure of the total number of individuals who worked at these establishments at some time during 1987. The turnover rate for 1987 is calculated by dividing the median number of W-2s by the median number of employees.

Among all restaurant categories surveyed (full-menu, tableservice; limited-menu, no tableservice; limited-menu, tableservice; and cafeterias), cafeterias reported the lowest employee turnover rate in 1987 –2.0—virtually unchanged from the 1.9 of 1986. Full-menu and limited-menu tableservice operations recorded turnover rates of 2.2—a small increase from the year before. Limited-menu, notableservice restaurants saw

1987 median number of full-time and part-time employees

	Full-time employees	Part-time employees (25–35 hrs.)	Part-time employees (less than 20 hrs.)
Full-menu tableservice	13	14	10
Steak/seafood	14	15	10
Continental	16	12	8
American	12	15	8
Italian	10	13	10
Limited-menu, no tableservice	4	7	5
Hamburger/subs	4	8	5
Seafood	9	6	4
Mexican	3	12	5
Chicken	4	6	4
Limited-menu, tableservice	6	8	6
Steak/seafood	10	20	6
Hamburger/subs	4	8	7
American	4	5	4
Cafeterias	15	8	10

Source: National Restaurant Association, *1988 Restaurant Industry Operations Survey* some reduction in their turnover rate—down from 2.7 to 2.5 in 1987.

In the full-menu, tableservice category, Italian and steak/seafood restaurants reported among the lowest employee turnover rates in 1987—2.1. In the limited-menu, no-tableservice group, hamburger/subs and chicken restaurants recorded a turnover rate of 2.4, the lowest in the category, while seafood restaurants had the highest turnover rate for this group—2.8. In the limited-menu, tableservice group, American theme restaurants reported the lowest turnover rate at 2.0.

Turnover by profit, hours worked

The survey also uncovered some other interesting information. Operations that made a net profit in 1987 had lower turnover rates than did restaurants that reported net losses. With the exception of limited-menu, no-tableservice restaurants, turnover varied little by annual sales volume. Larger sales volume (of more than $750,000) establishments in the limited-menu, no-tableservice category had a turnover rate of 2.9 in 1987—well above the 2.3 for those restaurants with sales volumes under $750,000.

Compared with the 1986 data, the percentage of part-time workers (less than 20 hours per week) to total employees was higher within each restaurant category. The actual number of part-time workers clocking in less than 20 hours also increased in 1987, while the number of full-time employees declined in all categories.—*Sebastian O'Kelly*

1987 employee turnover rates

Median number of employees	Median number of W-2s	Turnover rate
36	80	2.2
42	87	2.1
40	91	2.3
37	80	2.2
33	68	2.1
17	42	2.5
18	44	2.4
21	58	2.8
18	48	2.7
19	46	2.4
22	49	2.2
31	77	2.5
17	42	2.5
11	22	2.0
40	80	2.0

Takeout-breakfast traffic up close

Breakfast posted solid gains in takeout traffic between 1982 and 1987—but it was exceeded by takeout growth at both lunch and dinner. Breakfast takeout traffic made especially strong gains in the quickservice segment, on weekends and among singles, yuppies, affluent traditional families and 25 to 34-year-olds.

Takeout traffic for breakfast and morning snacks rose 18 percent between 1982 and 1987, just ahead of the 15 percent rate of growth for on-premises breakfast dining. But recently this growth has picked up. For the first three quarters of 1988, takeout breakfast traffic rose 10 percent over the same time period in 1987. This gain has occurred despite an overall decline in breakfast traffic in 1988.

Weekends are red-letter days for takeout breakfasts. According to CREST,* between 1982 and 1987 customer counts for takeout breakfasts on Saturday and Sunday shot up 47 percent, compared to just 5 percent during the week. As a result, the weekend's share of takeout-breakfast traffic climbed from 31 percent to 39 percent during the five-year period.

All three industry segments experienced traffic gains for takeout breakfast on the weekend. Quickservice and upscale restaurants led the way, with more than a 50 percent increase; midscale establishments logged in an 8 percent advance. Certain concepts were especially popular with the weekend breakfast crowd: Traffic at convenience stores rose by a multiple of five, and customer counts at grocery stores and sandwich restaurants doubled between 1982 and 1987.

Research by the National Restaurant Association confirms the popularity of takeout breakfasts on the weekend. According to the 1986 association study *The Takeout Market*, takeout break-

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**CREST stands for Consumer Reports on Eating Share Trends, a diary survey conducted by one of the NPD marketing and research companies.*

Weekend vs. weekday takeout traffic

Takeout traffic at breakfast is growing fastest on the weekend

	Percent change in takeout traffic, 1982-87	
	weekdays	**weekends**
All meals	20%	39%
Breakfast	5	47
Lunch	14	30
Dinner	42	54

Source: National Restaurant Association CREST Survey, 1988 fasts are more likely than takeout lunches or dinners to occur on a Saturday or Sunday. One out of three takeout breakfast occasions was on the weekend, perhaps indicating a fondness for a quick meal before shopping or church. In contrast, about two out of 10 takeout lunches or dinners were on a Saturday or Sunday.

Takeout traffic growth by meal period, 1982-1987

Takeout breakfast traffic rose 18 percent in the five-year period

	Percent change at		
	breakfast	**lunch**	**dinner**
All restaurants	18%	19%	49%
Quickservice restaurants	22	24	53
Midscale restaurants	−15	−15	16
Upscale restaurants	9	13	13

Source: National Restaurant Association CREST Survey, 1988

Quickservice establishments dominate growth

Quickservice led all industry segments in takeout-breakfast traffic growth, with a 22 percent gain between 1982 and 1987. As in other meal periods, quickservice establishments dominated the takeout breakfast market. Overall, quickservice restaurants accounted for more than nine out of 10 takeout-breakfast visits in 1987.

Sandwich restaurants took the lead in the breakfast-to-go market in 1987, accounting for 36 percent of all takeout breakfast traffic and 33 percent of total takeout occasions. Since 1982 these establishments have seen their customer counts for takeout breakfast escalate by 68 percent.

Both convenience stores and grocery stores have been increasingly successful in attracting takeout-breakfast buyers. Off-premises visits at these establishments quadrupled from 1982 to 1987, and their share of takeout-breakfast traffic climbed from 3 percent to 9 percent. (Convenience stores accounted for 6 percent of eater occasions in 1987, compared to 3 percent for grocery stores.)

The midscale and upscale segments have not made much of an imprint on the takeout-breakfast market in terms of growth or market presence. In 1987 these two segments combined were responsible for just 1 percent of total takeout breakfast occasions. Between 1982 and 1987, upscale takeout-breakfast traffic rose 9 percent, while customer counts at midscale restaurants actually declined.

Outdistanced by lunch and dinner

Despite the growing popularity of breakfast to go, consumer use of takeout has shown greater long-term growth at dinner and lunch. Off-premises guest visits climbed 47 for lunch and 19 percent for dinner between 1982 and 1987. Combined, these two meals accounted for about nine out of 10 takeout occasions in 1987.

Satisfying singles

Among all demographic groups, takeout breakfast is the most popular with singles. One-person households accounted for 17 percent of off-premises breakfast occasions in 1987 and showed the highest incidence of usage for this period among all household sizes. Both affluent and low to mid-income singles reported above-average use of takeout breakfast in 1987, with affluent singles being the most frequent users among all lifestyle groups.

Profile of typical purchaser

In 1987, 25 to 34-year-olds were responsible for the highest percentage of takeout-breakfast occasions—30 percent, followed by 35 to 49-year-olds with 26 percent of eater occasions. Adults over 65 years of age and children between the ages of 6 and 17 were the least frequent users of takeout breakfast in 1987; these two groups accounted for just 15 percent of takeout-breakfast traffic.

The age profile of the typical takeout-breakfast purchaser is similar to that of the average lunch takeout buyer. The association's special CREST study shows that 25 to 34-year-olds and 35 to 49-year-olds contributed 28 percent and 24 percent to total off-premises lunch traffic in 1987, whereas at dinner these two age groups were responsible for 23 percent and 22 percent of occasions.

Just as with lunch and dinner, breakfast takeout was found to have greatest appeal among higher-income households. In 1987 households with annual incomes between $30,000 and $40,000 and over $40,000 reported higher-than-average propensity to purchase breakfast to go. Combined, these two income groups accounted for 48 percent of takeout-breakfast visits—similiar to the 49 percent for dinner and 46 percent for lunch.

Takeout breakfast did attract a following among lower-income groups in 1987. Households with incomes between $15,000 and $20,000 a year reported above-average takeout usage for this meal period and accounted for 10 percent of takeout-breakfast occasions. For lunch and dinner, however, these households were below-average buyers of takeout.

Among lifestyle groups, breakfast takeout was used most heavily by affluent singles and yuppies, followed by low to mid-income singles, affluent traditional families and working parents. Below-average users in 1987 were low to mid-income families, empty-nesters and the elderly.

Promotions not a draw

In 1987, promotional use of breakfast takeout was the lowest among all meal periods. According to CREST, promotions were employed on 5 percent of all takeout-breakfast occasions, compared to 10 percent for lunch and 17 percent for dinner. Among takeout-breakfast occasions, promotions were used on 7 percent of occasions at upscale restaurants, compared to 5 percent at midscale restaurants and 6 percent at quickservice places. Concepts that showed above-average promotion use for takeout breakfasts included sandwich restaurants and chicken restaurants.

—Sebastian O'Kelly

Recreational foodservice update

The National Restaurant Association forecasts recreational foodservice sales will exceed $6.2 billion for 1989, accounting for 3 percent of total foodservice industry sales. This diverse segment has seen an increase in contractor penetration and diversification of menu offerings.

Consumers spending the day at a park, sporting event or theme park do not need to bring food or go hungry. Recreational foodservice is an expanding business, and outlets can be found at most athletic arenas, tourist attractions and amusement parks.

Recreational foodservice consists of three principal components: contract and noncontract (self-operated) foodservice at recreation and sports centers and at clubs as well as at sporting and recreational camps. Recreation and sport centers include stadiums, ball parks, sporting arenas, bowling lanes, movie theaters and drive-ins, amusement and theme parks, beaches and national parks and monuments.

Sales to break $6 billion in 1989

Recreational foodservice sales, which account for about 3 percent of total foodservice industry sales, have more than quadrupled since 1970. In 1970, foodservice sales in the recreational sector totaled $1.4 billion. In 1986, recreational foodservice accounted for $5.2 billion in sales. In 1989, the National Restaurant Association projects total recreational foodservice sales to be more than $6.2 billion—a compound annual growth rate of 8.3 percent since 1970.

Recreational foodservice sales growth*

Contract recreational foodservice has outpaced the total foodservice industry in growth

Segment	Foodservice sales 1970 ($000)	Foodservice sales 1986 ($000)	Foodservice sales 1989** ($000)	Compound annual growth 1970-1989	Compound annual growth 1986-1989
Recreation and sport centers					
Noncontract[1]	$ 513,800	$ 2,054,992	$ 2,425,474	8.5%	5.7%
Contract	290,965	1,410,732	1,734,669	9.9	7.1
Total recreational foodservice	1,375,589	5,212,145	6,226,192	8.3	6.1
Total foodservice contractors	2,442,435	10,094,798	12,817,111	9.1	8.3
Total foodservice industry	42,779,550	187,096,259	227,294,011	9.2	6.7

**Annual compound growth rate **projected*

[1] Includes sales at bowling lanes, drive-in movies and recreation and sports centers

Source: National Restaurant Association

Spectator sport attendance

Major League Baseball had both the largest attendance and largest gain in attendance of the four major sports between 1986 and 1987

Sport	1986 attendance	1987 attendance	Percent change
Major League Baseball	47,500,347	52,011,506	9.5%
National Football League	13,588,551	11,406,166[1]	-16.1
National Basketball Association*	12,193,485	13,156,228	7.9
National Hockey League	12,773,503	13,238,847	3.6
Total	**86,055,886**	**89,812,747**	**4.4%**

**Includes playoffs*

[1] Strike-shortened season

Source: "Survey on Sports Attendance," *Daily Racing Form*, 1986 & 1987

Contract recreational foodservice

Contract foodservice at recreation and sports centers has shown the highest growth rate of the three principal recreational foodservice components. Since 1970, when contractors accounted for 21 percent of total recreational foodservice sales, sales have grown at a 9.9 percent compound annual rate. The National Restaurant Association projects that 1989 contractor foodservice sales at recreational and sports centers will reach $1.7 billion—more than 28 percent of total recreational foodservice sales.

Between 1986 and 1989, contractor growth in this sector has slowed slightly, to a compound annual rate of 7.1 percent. This rate, however, is still higher than that for the total foodservice industry, which grew at a lower 6.7 percent annual compound rate. Recreational foodservice contractors should experience a 23 percent increase in sales between 1986 and 1989, compared with a 21.5 percent advance for the total foodservice industry.

Sporting arenas

The bulk of contract recreational foodservice is found at sporting arenas, including ballparks, hockey rinks, stadiums, racetracks and multisport complexes, primarily at the professional level. Attendance at professional sporting events was estimated to be 332.8 million in 1987*—a 7.3 percent increase over 1986.

Although attendance growth at sporting events is slowing, foodservice offerings are heating up. An increase in consumption of Mexican food has encouraged some arenas to add tacos, burritos, fajitas and nachos to their menus. Other arenas are beginning to offer high-demand regional delicacies. For example, one Maryland sports facility sells crab cakes, while one Cincinnati arena sells Cincinnati-style hot dogs topped with cheese and the region's special chili. Still others have moved towards a food-court system, by selling a limited menu at specific stands. Yankee Stadium in New York has a food court with a raw bar for shellfish and shrimp cocktails, a full-scale delicatessen and a grill area for hamburgers.

Several sports arenas have taken their foodservice further still and have added or are planning to add full-service upscale restaurants. For example, one Florida racetrack has an upscale eatery with an average per-person guest check of $15. Entrees range from sandwiches to veal Oscar. Television monitors have been placed at all trackside tables and throughout the dining room so that patrons may view the races while dining.

Noncontract recreational foodservice

Noncontract recreational foodservice, which includes amusement and theme parks, bowling lanes, movie theaters and drive-in movies, has the largest percentage of total recreational foodservice sales. The National Restaurant Association projects that noncontract foodservice sales at recreation and sport centers will total $2.4 billion in 1989—39 percent of the total for recreational foodservice. Between 1970 and 1989, noncontract recreational foodservice posted an 8.5 percent annual compound growth rate. Since 1986, the annual compound growth rate has slowed to 5.7 percent.

Amusement and theme parks

Some of the slowdown of growth in noncontract recreational foodservice is probably related to the slowdown in the growth of amusement and theme parks, which account for the largest portion of sales in the segment. Despite an estimated attendance of 249 million visitors in 1988, up 6 percent from 235 million in 1987, the International Association of Amusement Parks and Attractions (IAAPA) reports that there has been a slowdown in the number of new parks opened in the United States. High real estate costs, combined with a saturated market in most large metropolitan areas, has led to a flat growth curve in new parks. The IAAPA estimates that the number of theme and amusement parks, currently around 600, has not changed much since 1975 and should remain stable.

The lack of new theme parks does not imply that noncontract recreational foodservice will not grow at the same rate as contract recreational foodservice. Growth or expansion at existing theme parks could boost foodservice sales to equal contract sales growth for a particular year.

Some large theme parks have expanded their foodservice to include more menu items at their fast food outlets as well as full-service theme restaurants on premises. Disney World, for example, has changed all but two of its numerous fast food outlets to offer more than simply hot dogs, hamburgers and soft drinks. For patrons interested in ethnic or specialty cuisines, Disney offers full-service restaurants with themes to match their location. For example, there is a seafood restaurant in the ocean-theme area of the park. Similar changes at other theme parks may help ensure that theme-park patrons consume meals on rather than off premises.

National parks

Foodservice in the national park system consists of both contract and noncontract operations. The National Park Service estimates that food sales at the 327 food outlets in the park system accounted for more than 22 percent of total concession sales in 1987, reaching $103.2 million—an 8 percent increase over 1986. Of those outlets, 160, or about 50 percent, were snack bars and 54, or close to 17 percent, were dining rooms. Recreational attendance at the 130 U.S. national parks topped 287.2 million in 1987—a 2.2 percent increase over 1986.

Sporting-event attendance

Attendance at the four major professional spectator sports—baseball, football, basketball and hockey—totaled nearly 90 million in 1987, according to league attendance figures. This reflects a 4 percent increase over 1986.

Professional baseball was the most highly attended sport, and it had the largest increase in number of spectators. More than 52 million fans went to a major-league baseball game in 1987—an increase of almost 10 percent over 1986. The National Basketball Association showed the second-highest gain in 1987—an 8 percent gain—to more than 13.2 million fans. National Hockey League attendance was up 4 percent in 1987 to 13.2 million. The National Football League showed a sharp 16 percent drop in attendance in 1987 to 11.4 million fans, due to the shortened season resulting from a players' strike.

According to National Sporting Goods Association (NSGA) research, there are certain distinguishing characteristics of the "typical fan" at each of these spectator sports. NSGA research indicates that football fans are generally older than other professional sports fans, while basketball followers are younger than other sports patrons. Hockey games, on the other hand, are generally frequented by affluent (yearly household income over $50,000) East Coast residents, while major league baseball regulars tend to be from both high and low-income households (below $15,000 income a year and over $35,000 annual income) and reside in the north central or western United States.

**Includes attendance at major and minor-league baseball games and playoffs, horse, greyhound and auto racing; National Football League (NFL) season and post-season attendance; post-season college football attendance; National Basketball Association (NBA) season and playoff attendance; National Hockey League (NHL) attendance; boxing, wrestling, tennis and indoor soccer attendance.*

—Nancy Michalski

CREST report—1988 summer quarter

Total restaurant traffic declined 1.6 percent during the summer quarter of 1988 when compared to its level in 1987. The hot weather from the drought, the slower-than-expected economic growth in the third quarter and decreased advertising expenditures by some of the major chains were some of the factors responsible for the poor traffic performance.

Upscale establishments were hit hardest by the drop-off; their customer counts fell 8.3 percent, while midscale restaurants suffered a 4.4 percent decline in eater occasions. Quickservice was the only segment to emerge unscathed from the falling traffic pattern; traffic for this group inched up 0.2 percent in the summer quarter.

Total foodservice sales were up 0.6 percent in the 1988 summer quarter when measured against their total in 1987. Quickservice restaurants showed a sales increase of 4.3 percent, but midscale and upscale establishments recorded sales declines.

Takeout continued to show positive growth: Off-premises traffic for the summer quarter was up 2.8 percent over its 1987 level. Midscale restaurants showed the largest off-premises gain—4.9 percent. Takeout traffic advanced 2.8 percent at quickservice operations, but declined 6.0 percent at upscale restaurants. On-premises traffic, on the other hand, continued its downward trend, dropping 5.1 percent. All three segments reported on-premises losses, with upscale and midscale operations showing the largest traffic declines, 8.3 percent and 5.8 percent, respectively.

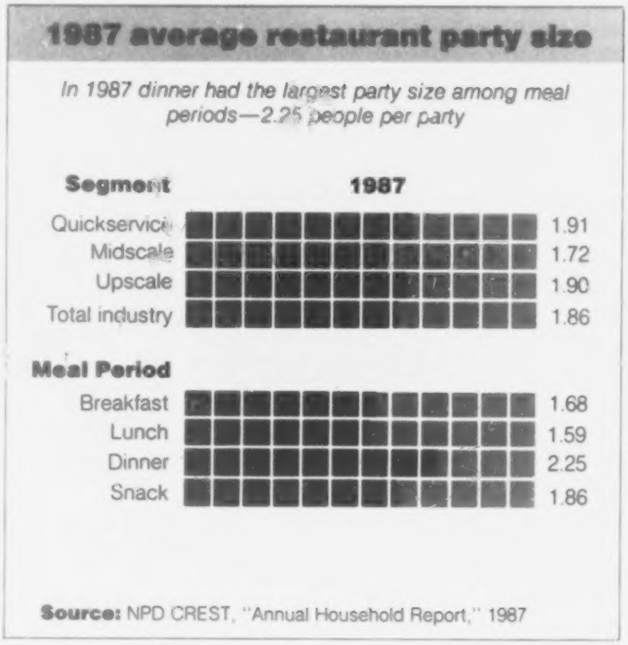
All three meal periods posted decreases in restaurant traffic for the summer quarter. Breakfast traffic was down 4.8 percent, and lunch traffic dropped 2.8 percent. Dinner held up the best among all meal times, with the number of occasions dipping downward a slight 0.6 percent. Takeout growth continued for the quarter at both breakfast and dinner, as off-premises visits for these occasions rose 4.9 percent and 4.8 percent, respectively. Takeout traffic for lunch in the 1988 summer quarter remained stable.

Consumers used promotions more often in the summer of 1988 than they did in the summer of 1987—on 16.5 percent of all restaurant occasions in 1988, compared to 15.3 percent in 1987. Customers were most likely to use promotions at quickservice establishments, accounting for 18.1 percent of summer-quarter occasions. Promotions were used on 13.1 percent of occasions at midscale restaurants and on 12.8 percent of occasions at upscale restaurants. Upscale and quickservice restaurants saw the greatest year-to-year increase in promotional use.

The average per-person check size for the 1988 summer quarter was $3.54, up 2 percent from $3.47 in 1987. Upscale operations reported the largest percentage increase in average check size, 4.2 percent, to $9.26 per person. Quickservice restaurants followed, with a 4.0 percent advance to $2.61, and midscale restaurants reported that the average per-person check size was $4.42, up 2.3 percent from the previous summer.

Party size update

Since 1982, the average size of a restaurant party has remained essentially stable. For all restaurant segments in 1987, party size was slightly under 2 people, ranging from 1.7 for midscale establishments to 1.9 for fast food and upscale eateries.



1987 average restaurant party size

In 1987 dinner had the largest party size among meal periods—2.25 people per party

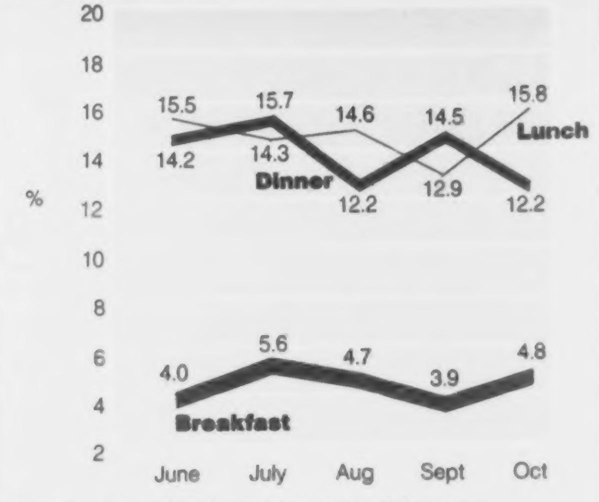
Source: NPD CREST, "Annual Household Report," 1987

The size of the average restaurant party appears to vary by meal period. The average party size was 1.7 people for breakfast, 1.6 people for lunch and 2.3 people for supper.

Party size also varies by restaurant type. In 1987, quickservice pizza restaurants had the largest average party size, 2.5 persons per party, while midscale retail-store eateries averaged the lowest, 1.5 individuals per party. Family-style restaurants averaged 2.0 people per party. Cafeterias and coffee shops were at the bottom of the list with an average of just over 1.5 people per party.

—Nancy Michalski

Percent of adults who were on-premises patrons on a typical day by meal period, June—October 1988



Source: National Restaurant Association Gallup Survey

Foodservice Market Measure, September/October 1988

On a typical day in October 1988, 29 percent of adults ate on the premises of a restaurant, and 18 percent purchased food to go or for delivery. Over the five-month period the Market Measure has tracked behavior, the likelihood of being an on-premises patron dropped slightly in July and August but since then has remained unchanged. Off-premises patronage ranged from 16 to 18 percent of adults from June through October. Overall, the proportion of adults who were foodservice patrons was off slightly in July, but has been nearly identical since then.

On-premises patronage by meal period has been more volatile during these five months than the figure for overall on-premises patronage suggests. In particular, the proportion of adults who ate on the premises for dinner ranged from a high of nearly 16 percent in July to a low of about 12 percent in August and October. In contrast, the likelihood of lunch patronage appears to run opposite to dinner patronage. The accompanying chart depicts the trend.

Summer 1988 demographics

On a typical day in summer 1988, about three in 10 adults ate on the premises of a restaurant, and 17 percent purchased food to go or for delivery. Overall, 45 percent of adults patronized a foodservice outlet on a typical summer day. Nevertheless, important differences in behavior are evident for various demographic groups.

☐ **Sex:** Men were significantly more likely than women to be patrons for both on-premises and off-premises occasions on a typical day: 50 percent of men versus 41 percent of women.

☐ **Income:** When it comes to identifying the best on-premises customers, the clear winners are consumers in households where the annual income exceeds $30,000. Thirty-eight percent of these consumers ate on the premises of a restaurant or other eating place on a typical day—significantly above the rate posted by consumers with annual incomes under $30,000. Only 25 percent of this group ate at a restaurant site.

For takeout food, on the other hand, consumers with annual incomes ranging from $15,000 to $29,999 are just as likely as those with incomes over $30,000 to be restaurant customers. Only when household income drops below $15,000 a year is there a substantial decrease in the likelihood of purchasing takeout food.

☐ **Age:** Because less than 10 percent of consumers 50 years old and older purchased takeout food, these consumers were significantly less likely to be foodservice patrons than 18 to 49-year-olds. More than half the consumers under 50 years of age were summer patrons, boosted by the one in five who purchased takeout food. In comparison, 38 percent of those 50 to 64 years old and 28 percent of those 65 years old and older patronized foodservice outlets. Nevertheless, it is notable that there was no significant difference by age in the likelihood of eating at a restaurant site this past summer.

—Susan Mills

Demographics of eating-out behavior, summer 1988

	Percent of adults who were foodservice patrons		
	Total	**On-premises**	**Off-premises**
Sex			
Male	50%	34%	19%
Female	41	27	15
Income			
Less than $15,000 a year	34	22	12
$15,000 to $19,999 a year	43	26	18
$20,000 to $29,999 a year	46	29	20
$30,000+ a year	55	38	20
Age			
18 to 24 years old	51	30	26
25 to 34 years old	53	33	24
35 to 49 years old	50	33	20
50 to 64 years old	38	30	9
65 years old or older	28	24	4

Note: Data refers to patrons on a typical day. Some adults were both on-premises and off-premises patrons on a typical day.

Source: National Restaurant Association Gallup Survey, summer quarter

Foodservice Market Measure

The Foodservice Market Measure is based on 1,000 telephone interviews, conducted by the Gallup Organization each month, with a nationally representative sample of adults age 18 and older. Each person is asked the same questions:

1. Which of the following did you do yesterday?

☐ Ate on the premises of a restaurant, fast food place, cafeteria or any other place where you purchased a meal or snack, or

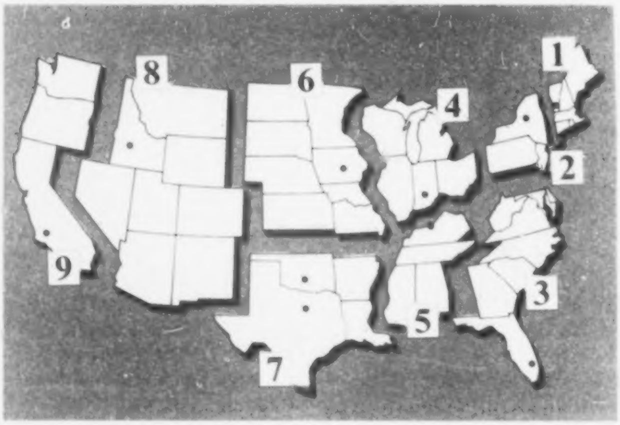
☐ Purchased takeout food "to go" or had it delivered.

2. Was the food you ate on premises yesterday for breakfast, lunch, dinner or a snack?

3. Was the takeout food you purchased or had delivered for breakfast, lunch, dinner or a snack?

The monthly tracking of purchases is supplemented by quarterly inquiries on topics of industry interest, such as smoking versus no-smoking sections, tipping versus service charges, and nutritional concerns.

HOW'S BUSINESS



1 NEW ENGLAND

Location: Killington, VT
Association members: Raymond Giguere, Pamela Medor
Operation: Charity's 1887 Saloon-Restaurant
Profile: Casual restaurant
In business: 17 years
Seats: 95
Meals served: Lunch, dinner, weekend brunch

Killington is primarily a resort town, busiest during the ski season "when everyone shows up at Charity's," according to manager **Pamela Medor.** Killington, the East Coast's largest ski area, hosts as many as 14,000 skiers a day.

In spite of increased competition from other restaurants, Charity's has maintained an even growth because of its food, its service and its lively "Cheers"-type atmosphere, according to Medor.

Burgers, pastas and seafood are some of the dishes on the menu, but Charity's is famous for its French onion soup. Bar patrons can munch on free chicken wings while they watch ski movies or major sporting events on TV.

2 MID-ATLANTIC

Location: Syracuse, NY
Association members: Penny Mercer, Ronald Balduzzi
Operation: Raphael's
Profile: Fullservice family restaurant
In business: 36 years
Seats: 130
Meals served: Breakfast, lunch, dinner

Every time Raphael Caloia had a new daughter, he would add a room to his restaurant and name the room after the baby. Today, the parties and business meetings held in the added-on banquet rooms make up Raphael's' biggest business.

Prime rib, seafood and Italian dishes are the every-day favorites, but specials, like filet of sole stuffed with broccoli and cheese, go over well, too. Homebaked bread and rolls accompany dinner or are used for sandwiches.

Syracuse has seen some of its businesses close and some cut back, "which has affected our business, especially our bar business because of concern about DWI," says Raphael's Manager **Ronald Balduzzi.**

3 SOUTH ATLANTIC

Location: Miami, FL
Association member: Mike Gordon
Operation: Fish Peddler Seafood Restaurant
Profile: Midscale seafood restaurant
In business: 3 years
Seats: 120
Meals served: Lunch, dinner

After 42 years' experience in the restaurant business, **Mike Gordon** turned his Miami seafood restaurant over to his son and opened the smaller Fish Peddler. "Business is doing very nicely," he says. His new restaurant is located in the center of Miami, which Gordon describes as a new city where lots of money is available, but which is still learning to cope with its problems.

The Fish Peddler, popular with locals, specializes in fresh seafood from both the Atlantic and the Gulf. A popular fish is the 10 to 25-pound black grouper, which Gordon cuts into filets. It is then pan-fried or made into *Grouper à la Gene*, a dish named after Gordon's chef of 18 years, in which the fish is broiled and served with blanched onions and two sauces.

4 EAST NORTH CENTRAL

Location: Bedford, IN
Association member: Tim Louden
Operation: Macadoo's Fine Food and Spirits
Profile: Fullservice restaurant, catering
In business: 7 years
Seats: 100, plus 38 in bar
Meals served: Lunch, dinner

Owner **Tim Louden** has just finished redecorating Macadoo's, and he reports business is already up 32 percent. He brightened the dining room by using lighter colors, leaded glass and paisley wallpaper to give it a French country look; and he remodeled the bar into a sports bar. Having the governor down for a special luncheon just after the restaurant reopened was good for public relations, too.

Specialties at Macadoo's are prime rib, cooked slowly in a special oven, and steaks served sizzling on heated platters and topped with an aromatic herb-butter sauce.

Bedford is home to the largest limestone producer in the world, a GM die-casting plant and a Ford plant, which all contribute to the town's strong economy. Local townspeople are Macadoo's main customers. Students from Indiana University at Bloomington, only 20 miles away, rarely come, Louden laments, because of the strict DWI laws.

5 EAST SOUTH CENTRAL

Location: Shelbyville, KY
Association members: Terry, Donna and Ellen Gill
Operation: Science Hill
Profile: Historic restaurant
In business: 27 years
Seats: 100
Meals served: Lunch, dinner

Science Hill, located in the small town of Shelbyville, midway between Louisville and Lexington, has been serving meals since 1825, when it began as the dining room of a girls' school. Now declared a historic treasure, it is part of a complex that includes small shops and a world-famous antiques gallery. "People come to make a day of it," says owner **Terry Gill**.

Housed in a sprawling red-brick structure, once a stop on the underground railroad that helped slaves escape during the Civil War, Science Hill still retains much of the look of the 1820s, with its high ceilings, large windows overlooking a shady old garden and antique furniture scattered throughout. The dishes include many Kentucky specialties, although Donna Gill, executive chef and wife of Terry, often gives them her own individual touch.

6 WEST NORTH CENTRAL

Location: Des Moines, IA
Association members: Bob and Rita Dietz
Operation: The Imperial House
Profile: Midscale, full-service restaurant
In business: 43 years
Seats: 127
Meal served: Dinner

Although a lot of restaurants in the Des Moines area are in trouble, business at The Imperial House was up 3 percent in 1988 and 18 percent in 1987. Owner **Bob Dietz** attributes the growth of his restaurant, located on the west edge of the city's business district, to his business customers.

Although his menu includes 40 dinners and 20 wines, Dietz's best seller is seafood. In lieu of dessert, diners often order one of the restaurant's 34 ice-cream drinks, such as the *Cadiz*, made with dry sherry, blackberry brandy, triple sec and three scoops of vanilla ice cream.

7 WEST SOUTH CENTRAL

Location: Ardmore, OK
Association member: Gary and Jeannine Jackson
Operation: Fireside Dining
Profile: Fine dining
In business: 12 years
Seats: 100
Meal served: Dinner

"Business is not too bad, considering the local economy," says owner **Gary Jackson**, referring to Oklahoma and Texas' troubled oil-based economy. Prime rib, steaks grilled over mesquite, chicken and occasional seafood are the menu specialties at Fireside Dining. Salad is served family-style, with tossed salad ingredients brought to the table in a large wooden bowl so patrons can serve themselves.

Located in the country, halfway between Dallas and Oklahoma City, Fireside's proximity to Lake Murray State Park means it is busiest in the spring and summer, although it is also popular for business meetings and special-occasion celebrations.

Built to look like a ski lodge, Fireside takes its name from its two woodburning fireplaces.

8 MOUNTAIN

Location: Boise, ID
Association members: Rich and Marne Sieber
Operation: Peg Leg Annie's
Profile: Fine dining
In business: 5 years
Seats: 135
Meals served: Lunch, dinner, weekend breakfast

Peg Leg Annie's serves an upscale menu in a casual atmosphere, and the diners, surrounded by antiques and memorabilia, can choose prime rib or a steak, both seasoned with a special spice mixture, or the baby back pork ribs, boiled ahead of time and then broiled just before serving.

Owner **Rich Sieber** likes to keep up with his customers' changing tastes. For example, his luncheon salad menu now includes a special chicken section, with a Cajun chicken salad and a marinated lemon-chicken salad, and he has added a chicken-fried steak that is going over well with the area's beef-loving residents.

Business is up 31 percent over last year, says Sieber, in spite of increased competition from restaurants in a newly opened mall nearby.

9 PACIFIC

Location: Solvang, CA
Association members: Paul and Tove Dalby
Operation: The Little Mermaid
Profile: Danish restaurant
In business: 20 years
Seats: 72
Meals served: Breakfast, lunch, dinner

Solvang, 30 miles from Santa Barbara in California's Santa Ynez Valley, was settled by Danes in 1911 and still retains its Danish character. Tourists come to admire the architecture, browse in the shops and enjoy the restaurants.

"Business is fine," says Danish-born owner **Paul Dalby**. But expansion in the area to include several new hotels and fast food restaurants has kept him from doing as well as he would like.

The Little Mermaid, named after Copenhagen's famous harbor landmark, offers a long list of Danish dishes in an ethnic setting that includes carved wooden ceiling beams and pictures of Denmark. Tourists can sample the sausage (made according to a Danish recipe); the *Hakke bof*, a chopped sirloin steak topped with sauteed onions; or the open-face sandwiches for which Denmark is famous—pumpernickel bread spread with butter and then piled high with a topping such as a Havarti or Tibo cheese, pickled herring, shrimp, lox or sliced meatballs.

- Julie Fintel

Region 7 Special

Employees create mocktails for Loews Anatole Hotel

An outside observer might have wondered why there was a little tension and secrecy among employees at Loews Anatole Hotel in Dallas last fall. The reason was the hotel's mock-cocktail contest, sponsored by the hotel's executives to create a nonalcoholic beverage menu that would provide guests with tasty alternatives to alcohol.

Employees from all departments—from accounting to security—clocked off-the-job hours to create beverages for the contest. It took four sessions to taste and judge the 98 drink entries in the categories of frozen, on-the-rocks and ice cream. Judging criteria included originality, visual appeal, sellability, realistic ability to produce, cost effectiveness and creativity of the drink's name. The top three winners were Loco Mocha, Peach Lady and the Nana Split. The top winner received a week's paid vacation. The two others received dinner for two (second place) and brunch for two (third place).

LOCO MOCHA

Ingredients:
1 oz. Hershey's chocolate syrup
½ oz. almond syrup
1 oz. strong, cooled coffee
10 oz. Half & Half or a dip of vanilla ice cream
Ice
Whipped cream
Chocolate shavings
One cherry

Method:
Blend syrups, coffee and Half & Half with ice. Garnish with cream, shavings and cherry.

PEACH LADY

Ingredients:
½ can of peaches (in heavy syrup)
½ oz. lemon juice
½ oz. grenadine syrup
1 oz. sugar
½ can pineapple sauce

Method:
Combine ingredients in an electric blender. Serve at once. Do not freeze.

NANA SPLIT

Ingredients:
2 scoops of vanilla ice cream
½ banana
6 tspns. pineapple juice
8 tspns. of grenadine
Whipped cream
Chocolate shavings
One cherry

Method:
Blend ice cream, banana, pineapple juice and grenadine until smooth. Pour into large wine glass and top with cream, shavings and cherry.

Recipes copyright Loews Anatole Hotel, 1988.

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I never saw a purple artichoke...or potato

People may joke about not seeing a purple cow—but they won't be able to apply the phrase to vegetables—at least not to artichokes and potatoes.

Southern California farmers Rusty and Steve Jordan worked for 10 years to develop a flavorful artichoke that is easy to grow. The brothers finally hit on a specimen with all the desirable features, but it had one additional characteristic they hadn't bargained on—it was purple. So they decided to promote the vegetable's unusual coloring by sending samples to supermarkets and sponsoring nationwide "blind tastings" for people to compare green and purple artichokes fairly. The result: The Jordans are selling every purple artichoke they can produce—700,000 cartons in the 1987-88 season. Their "purple blush" artichoke, noted for its distinctive almond taste, is shaped like an apple, is thornless and has a greater number of leaves and a bigger heart than its "normal" cousin.

Purple potatoes don't have quite the same history or flavor advantage. Originally from Peru, purple potatoes are now being cultivated in Washington state, Oregon and Colorado. The potatoes are characterized by their bluish-purple hue that darkens when cooked. They can be prepared like a russet—baked, fried or boiled—and they are especially good mashed because of their slightly higher moisture content.

—Restaurants USA *interview*

A book for every taste

With the wealth of cookbooks available (see *Cookbook Explosion*, page 26), it comes as no surprise that two entrepreneurs—Barry Bluestein and Kevin Morrisey—have opened Season to Taste Books Ltd., a bookstore exclusively for cookbooks, in Chicago. The partners acquired many of the books for their store by purchasing privately owned cookbook collections.

—The New York Times

Small town saves its only restaurant

When the City Cafe in Americus, Kansas, closed its doors last April, the town didn't just lose its only restaurant; it lost its social center. The farm town of 1,200 residents figured it couldn't do without its cafe, which had served as the gathering place and news center for many years, so the residents set up a corporation—Americus Enterprises, Inc.—to establish a replacement—the Breckinridge County Cafe—on the same site. To raise money, the corporation sold shares to Americus citizens and applied for a bank loan. By the end of last summer, the cafe was up and running.

—The New York Times

A new deal on meals

A new deal on meals is catching on in New York City. And it isn't being provided by restaurants—at least not directly. It's a swap of food and beverage credits for advertising dollars.

The greatest advantage of the new takeoff on an established idea is that the discounting is discreet. Because the company handling the advertising provides the discount to the customer, not the restaurant, customers sign for the full amount of their bills (plus tips and tax) on a company credit card. The meal discount appears later on their credit-card bills. Thus, there is no discussion of a discount at the restaurant, and therefore, no embarrassment for the guest or for the operator.

—Dorf & Stanton Communications, Inc.

Duelling pianos

Allegro restaurant at the recently reopened Sheraton Carlton Hotel in Washington DC features an unusual form of musical entertainment—two beautifully lacquered baby grand piano shells that house state-of-the-art synthesizers. The two pianos, or "Orchestral Grands," were designed for Allegro by Encore Hospitality Services of Dallas and 4Tran Industries of Phoenix.

Two pianists play the grands nightly for customers at the upscale restaurant that offers innovative Italian cuisine. Diners might be surprised at the sounds that emanate from the seemingly normal baby grands. The hybrid pianos have the capability of delivering the sound of a full orchestra, a Big-Band ensemble or a three-piece jazz quartet.

—The Sheraton Carlton

"Doggy bag" for wine

For customers who are unable to finish their bottle of wine with dinner, the "winevelope" could be the answer. Created by R.S.B. Unlimited of Culver City, California, the "winevelope" is a heat-sealed bag in which customers can carry their unfinished bottles of wine home. With the bag sealed, there is less chance of wine being spilled in the car, and the bottle is not considered an open container, which is illegal for transport.

—R.S.B. Unlimited

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CONGRESSIONAL LEADERSHIP FORUM

Brings Politics and People Together

Congressional leaders are more accessible than you may think. The Congressional Leadership Forum proves that every day. Funded by association members and supplier companies, this program brings members of the foodservice industry together with congressional leaders to discuss industry issues. Established to encourage greater political involvement, the CLF offers ways to affect political decisions that concern foodservice businesses.

"We are seeking to expand the Congressional Leadership Forum. This is a program that deserves the attention of large suppliers and small operators alike. The CLF is a cornerstone of our government affairs efforts."

—Congressional Leadership Forum Chairman John Farquharson, President, ARASERVE, ARA Services, Inc., Philadeplphia, PA

"Really, there is no better way to shape the course of legislation than to sit down with your U.S. representatives and discuss the issues face to face. Our Public Affairs Conference, sponsored by CLF, brings hundreds of restaurateurs to Washington to do just that."

—Jim Peterson, National Restaurant Association President, 1988-89, President and Chief Executive Officer, Whataburger Corp., Corpus Christi, TX, pictured with Sen. Lloyd Bentsen

"It's a sensational program. Our industry's visibility on Capitol Hill has greatly increased; legislators are much more aware of how we operate and what our concerns are. Along with the PAC the Congressional Leadership Forum puts real strength behind our lobbying efforts."

—Biff Naylor, President, Naylor Brothers Restaurants, Los Angeles, CA, pictured with ABC-TV correspondent Sam Donaldson at the Public Affairs Conference

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For more information see the insert cards inside.

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TEAROOMS ■ FLAVOR BALANCING ■ COMPUTER CLONES

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THE MONTHLY MAGAZINE OF THE NATIONAL RESTAURANT ASSOCIATION VOL. 9 NO. 2 FEBRUARY 1989

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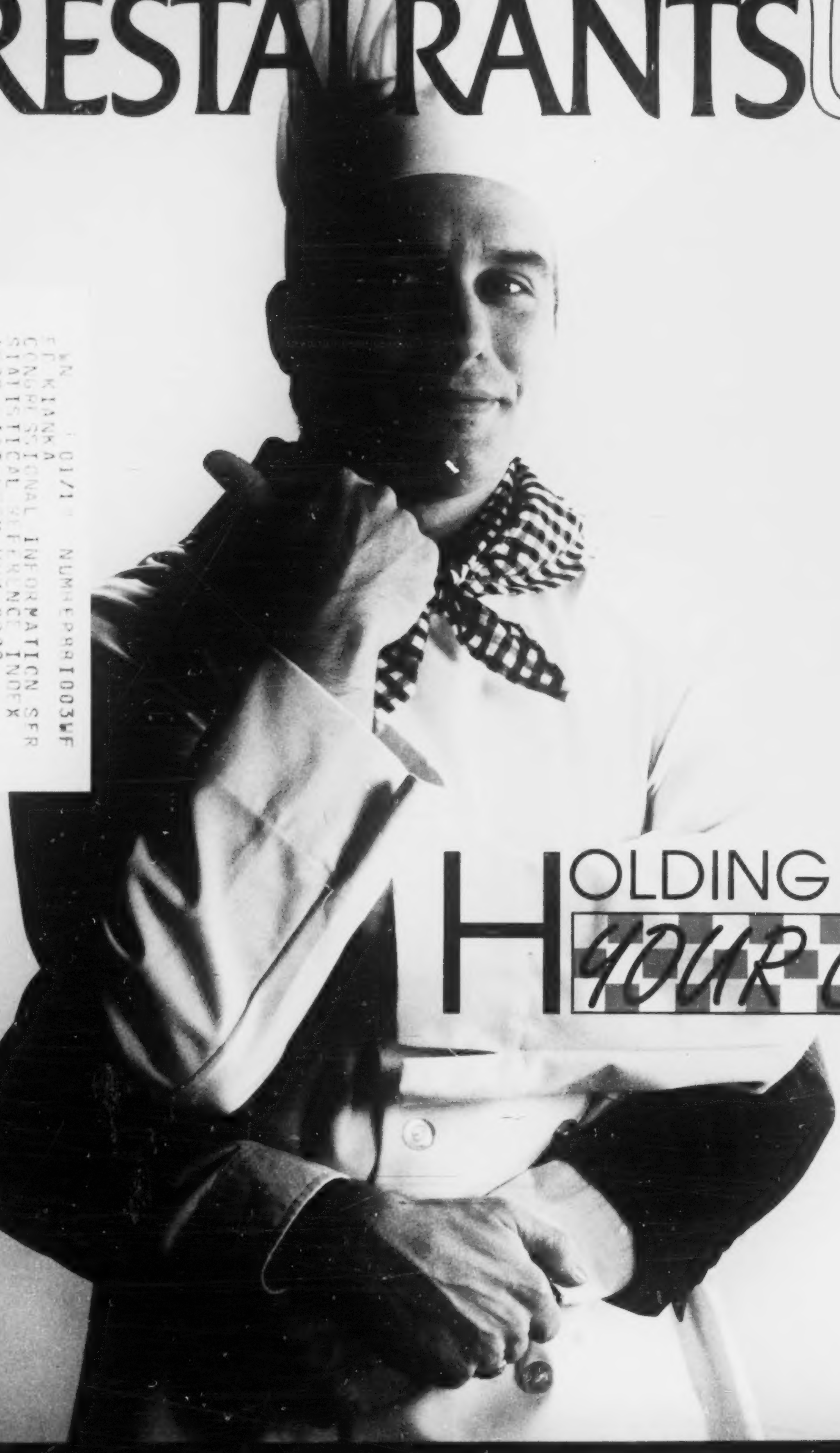

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ASSOCIATIONMEETINGS

SEMINARS

Basic Foodservice Courses

Dining Room Management

2/21	Rochester, NY
2/22	Pittsburgh, PA
2/28	Portland, OR
3/1	Seattle, WA
3/14	New York, NY
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4/5	Orlando, FL
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4/18	Grand Rapids, MI
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Seminars Scheduled During Show

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5/21	Soups and Sauces

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National Restaurant Association
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INFO 89

Scheduled March 9-11 in Monterey, California, INFO '89 boasts a variety of distinguished industry speakers, including **Ted Balestreri, Jim Peterson, Michael Hurst** and **Bill Fisher**.

Immediately following INFO '89 is the Monterey Wine Festival (March 12-14). To register for INFO '89 and/or The Monterey Wine Festival, contact The Educational Foundation of the National Restaurant Association, Customer Service, 250 South Wacker Drive, Chicago, IL 60606 or call (312) 715-1010 or (800) 522-7578.

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PRESIDENT'S REPORT

Jim L. Peterson, President and Chief Executive Officer
Whataburger, Inc., Corpus Christi, TX

In Washington last month, I had the pleasure of speaking at the well-attended "Foodservice Employment 2000" symposium sponsored by the association. In several senses, this conference was an historic event. We sat down with representatives of the many demographic subgroups that might be expected to seek employment in foodservice. We discussed what our industry has to offer and what their constituents need as they enter or re-enter the workforce.

"Foodservice Employment 2000"—an historic event

Human resources professionals, foodservice educators and restaurant executives came to the symposium to discuss their programs and to ask questions of others. Representatives of employment groups, including blacks, women, Hispanics, seniors and the disadvantaged, explained the specific needs of their groups with remarkable forthrightness.

People are the most important part of our business, and only by finding out their needs and creating programs to meet their needs can we attract and retain the quality employees we need. Our industry must develop innovative benefit packages, support programs and training programs. In addition, we must continue to promote the foodservice industry's image as a viable career option for employees of all ages.

Model programs in "Current Issues Report," conference proceedings

The association will soon be releasing a "Current Issues Report" describing some of our industry's model programs with respect to hiring and training. The report will be sent to all key members later this month. Also forthcoming is a publication of the proceedings of "Foodservice Employment 2000." It will be available for purchase in March from our publications department.

New findings to be released at INFO '89 Conference

The 1989 Independent Foodservice Operators Conference (INFO '89) will be held March 9-11 in Monterey, California. This conference, held exclusively to address the needs of independent operators, will be highlighted by new findings in job analysis research, successful hiring techniques and an update on the new presidential administration in Washington. Join me in Monterey for INFO '89, sponsored by the Educational Foundation of the National Restaurant Association. To find out more, call the Educational Foundation at (312) 715-1010.

200 wineries will pour 800 wines in Monterey

The day after INFO '89 marks the beginning of the Monterey Wine Festival Vintage '89, held from March 12-14. Hundreds of hospitality industry professionals will join wine experts and wine buffs to experience the sights, sounds and tastes of this major wine event. More than 200 of California's most renowned wineries will pour 800 wines for attendees from across the United States, Canada and Japan.

Restaurant operators who want to step up their wine merchandising efforts will gain valuable knowledge during the festival. In addition, you will experience the beauty of the Monterey Peninsula area. For additional information, contact Wynn Burke in our Chicago office at (312) 853-2525. If you would like to attend both the INFO conference and the Monterey Wine Festival, a special rate is available.

Great Menu Contest entries due this month

Entries for the association's annual Great Menu Contest are due in our Washington office by February 28. Winning menus become models for the entire foodservice industry and are displayed at the annual Show in Chicago. Winners may also be featured in a four-color book published by an independent publisher. Send in your entries before the end of the month.

101st Congress to reconsider minimum-wage hike, mandated benefits

After President Bush was inaugurated on January 20th, the 101st U.S. Congress convened in Washington. The new Congress faces a host of problems to solve, including the huge government deficit. With the deficit hanging over every issue, the temptation by Congress will be to seek private funding for social programs.

As in 1988, one of our major battles of the year will be to fight off attempts to raise the minimum wage. Also returning for consideration is a proposal to mandate employer-provided health insurance for employees.

As you can see, the issues look familiar. With renewed vigor and the strength gained from last year's government affairs successes, our staff is working to maintain a favorable business environment for the foodservice industry. You can be sure that we will be calling on your participation in what should prove to be a busy year for government affairs.

Welcome new members

During January, 50 foodservice operators and allied suppliers joined us as members. We welcome your input in the association and look forward to working with you.

Sincerely,

Jim L. Peterson

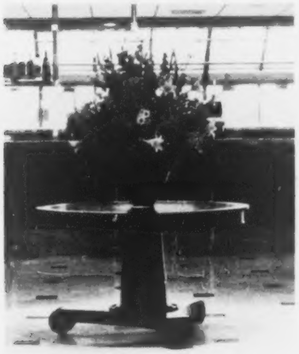
Jim L. Peterson
President and Chairman of the Board

RESTAURANTS USA

COVER STORY: HOLDING ONTO YOUR CHEF

10 Keeping a good chef in your kitchen means keeping your chef happy. Here are some proven ideas you can adapt to keep your chef from finding greater challenges in another establishment.

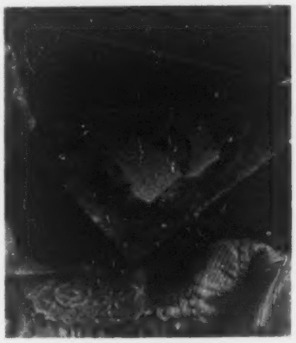
SPECIALS



14 Secret ingredients
In the words of chef/restaurateur Michael Roberts, "There are no such things as secrets in the kitchen, but there are secret ingredients that are not tasted but would be missed if they were omitted." Roberts shares his unique combinations of flavors—and his philosophy behind them—in this excerpt from his recently published book. Don't miss the exciting recipes, including lamb cooked with blue cheese, jalapeno peppers and port.

18 Department-store restaurants
Department stores are attracting customers with sophisticated new eateries that are a far cry from the tearooms of yesteryear.

Facing page 20
This pullout index of ***Restaurants USA*** articles featured during 1988 is a handy reference for anyone looking for information about the foodservice industry—from advertising to wholesale prices.



20 Tearooms—a retrospective
The word "tearoom" conjures up images of a cozy little spot in a department store to sip tea and nibble at cookies during a shopping break, or a quaint roadside restaurant with feminine decor. Fact is, tearooms—and the women who owned and patronized them—had a surprisingly significant effect on the early restaurant industry.

22 Computer clones—clues to a purchase
This article offers the pros and cons of investing in a computer "clone"—a computer that is compatible with leading hardware and software systems but has an obscure brand name and a very different price tag.

25 Pay phones—some questions to consider
Making a pay phone available to your customers is a valuable service, but it is wise to investigate all the angles before signing up with a pay-phone vendor. Here are some guidelines that will help to prevent problems down the line.

Cover photo by Gary Landsman
Uniform courtesy of Linn Uniforms/Uniform World

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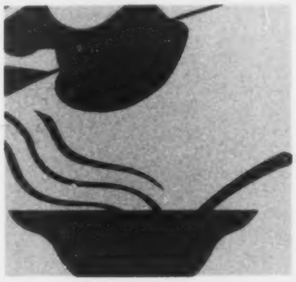
- ☐ High ceiling on small-business loans
- ☐ Diners within a diner



SHORTORDERS

Partnership between Foundation and Illinois Restaurant Association

In an agreement that is the first of its kind, the Educational Foundation of the National Restaurant Association and the Illinois Restaurant Association (IRA) have joined forces to offer the foundation's educational materials and services to IRA members.

According to Daniel A. Gescheidle, foundation president, "Our combined efforts will reach a greater audience and ensure that our message is heard at a time when improved education and training are needed more than ever."

The Educational Foundation provides instructors and curricula and course materials while IRA promotes the seminars and the many other services to its members under the logos of both organizations.

For more information on state partnerships, contact Ellen Decker, manager of seminar programs, the Educational Foundation of the National Restaurant Association, 250 S. Wacker Dr., Ste. 1400, Chicago, IL 60606-5834, (312) 715-1010.

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Enrollment period for association's catastrophe medical plan

National Restaurant Association members and their spouses and dependent children have until April 1, 1989, to enroll in the $1,000,000 Catastrophe Major Medical Insurance Plan—a special membership benefit. This plan provides supplementary coverage for basic major medical and hospitalization insurance. Because it is considered supplementary coverage, the plan has a $30,000 deductible that can be satisfied by eligible expenses paid by any basic health insurance policy or by out-of-pocket expenses paid by the insured.

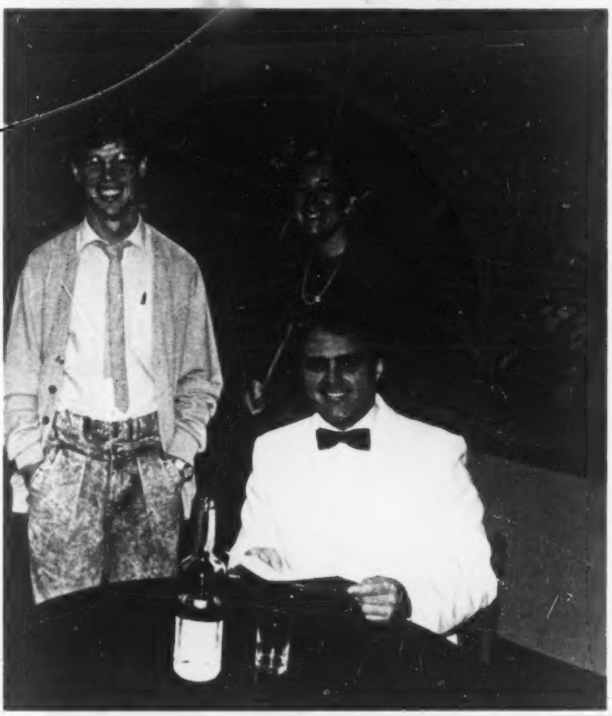
Once the deductible is met, the plan provides 100 percent coverage for all eligible expenses, up to $1,000,000 in benefits for up to 10 full years from the date the first eligible expense is incurred.

For further details, contact Albert H. Wohlers & Co., National Restaurant Association Group Insurance Plans, 1440 N. Northwest Highway, Park Ridge, IL 60068-1400. Call toll-free: 1-800-323-2106; Illinois residents: (312) 803-3100.

Lau dies

George Lau, former director of the National Restaurant Association and past president of the Minneapolis and the Minnesota restaurant associations, died in December 1988. He was 91.

Ground Round launches employee referral program



The Ground Round, Inc., has produced a video that closely resembles the film classic "Casablanca," to launch its yearlong incentive program that awards points to Ground Round employees who successfully refer new employees to the company. Points can then be redeemed for prizes ranging from stereos to boats.

Pictured during the filming are (from left): Greg Witmer, Ground Round's senior training and development manager; Jeanne Wallace of Cabot Public Relations; and starring in the video, Kevin O'Connor, vice president of operations for The Ground Round, Inc. The video combines original scripting and acting with actual "Casablanca" footage.

Minimum-wage debate begins again

Rep. Gus Hawkins (D-CA), chairman of the House Education and Labor Committee, reignited the minimum-wage fire with his introduction of H.R. 2 on January 3, the opening day of the 101st Congress.

The Fair Labor Standards Amendment of 1989, largely similar to the bill that Hawkins's labor committee approved last March, raises the federal minimum wage in three increments, from $3.35 to $3.85 in 1990, $4.25 in 1991 and $4.65 in 1992. Unlike last year's bill, H.R. 2 does not provide for a fourth increase to $5.05.

Also unlike last year's bill, H.R. 2 would establish a Minimum Wage Review Board to meet every two years and recommend to Congress any necessary adjustments to the minimum wage. The Board's recommendations would be purely advisory but would keep the minimum-wage issue before Congress on a regular basis, Hawkins explains.

Small-business concerns addressed

In an attempt to address the concerns of small businesses, H.R. 2 includes an increase in the tip credit to 50 percent. Currently, restaurateurs can credit tips against only 40 percent of their minimum-wage obligations. The National Restaurant Association lobbied heavily last year to have this provision included in Hawkins's bill.

H.R. 2 also raises the small-business exemption. Businesses with annual sales of less than $362,500 are currently exempt from federal minimum-wage requirements. Hawkins's bill increases the small-business exemption to $500,000.

The National Restaurant Association maintains that Hawkins's proposed solution will backfire on just the group he is trying to help. When faced with higher labor costs, restaurateurs will cut back employee hours, will reduce the number of jobs by streamlining positions and automating, and will raise menu prices.

While this bill aims to help the working poor, it misses its target group, since the vast majority of minimum-wage earners are not heads of households but people who use minimum-wage work as a steppingstone to higher-paying jobs.

Outlook for the future

H.R. 2 is expected to be handled speedily, receiving a quick hearing and vote in Hawkins's committee. Where it will go from there is not certain. Much of the bill's fate will be determined by two new players on the legislative field—President Bush and Secretary of Labor Elizabeth Dole.

While former President Reagan threatened to veto a minimum-wage increase, Bush stepped out early in the game to support a small increase in the minimum wage if it were coupled with a lower training wage for new hires. Dole also has established herself as a political player willing to compromise.

A congressional pay raise may provide a new twist to the minimum-wage debate. Former President Reagan recommended a 50 percent increase in congressional salaries that will automatically go into effect if both the House and the Senate do not schedule a veto vote by February 9. If a minimum-wage vote is timed close to that date, observers caution that legislators might find it difficult to vote down a minimum-wage increase just after raising their own salaries.

Brown introduces bill to repeal FICA-tax provision

On January 4, Rep. Hank Brown (R-CO) dropped a bill (H.R. 466) into the legislative hopper to repeal the requirement that restaurateurs pay Social Security (FICA) taxes on all tips reported by waiters and waitresses.

In 1988 the FICA-tax-on-tips cost the restaurant industry at least $200 million. The projected burden for 1989 weighs in at more than $400 million.

Originally introduced in March 1987, Brown's repeal bill was never the subject of any hearings.

Brown's reintroduction of the bill early in the 101st Congress and restaurateurs' yearlong experiences with the FICA-tax-on-tips give operators the chance to tell their members of Congress about the tremendous burden the FICA tax imposes on their operations and to urge their representatives to sign on as cosponsors of H.R. 446.

Send letters to your U.S. Representative, c/o the Hon. ___*(name)*___ U.S. House of Representatives, Washington, DC 20515. If you are not sure who your representative is, call the association's Government Affairs Department at 1-800-424-5156 or (202) 331-5900.

DCROUNDUP

☐ **Polygraph poster available.** As of December 27, 1988, all employers must display a poster notifying employees of the ban on polygraph use in the workplace. The poster informs employees that employers are generally prohibited from requiring potential or current employees to take a lie-detector test or taking adverse action against those who refuse to take such a test.

The Department of Labor mailed the poster to employers in November. If you did not receive your copy, contact your local office of the Wage and Hour Division. You can find them in your telephone directory listed under U.S. Government, Department of Labor, Employment Standards Administration.

☐ **Association joins fight for Section 89 repeal.** The National Restaurant Association and 34 other organizations are calling for the repeal of Section 89, a law that requires employers to run complicated tests on the benefit plans they offer to see if the plans discriminate in favor of higher-paid employees.

The Internal Revenue Service missed its November 15 deadline for issuing regulations on how to comply with the law, and employers are still in the dark about their responsibilities.

☐ **New limits for sulfite use proposed.** The U.S. Food and Drug Administration (FDA) issued a proposal to limit sulfite levels in beer, wine, baked goods, tea and fruit juices, among other products.

The FDA has already prohibited the use of sulfites on raw fruits and vegetables and has proposed banning their use in fresh potato products.

Sulfites, generally used as a preservative, have been known to cause severe reactions in asthmatics and, in some cases, to lead to death. Since the start of the sulfite debate, the National Restaurant Association has advised restaurateurs not to add sulfites to their food.

—Stephanie Gordon
—Denise Roach

WHAT'S COOKIN'?

In an attempt to direct foodservice employers to the workers who will carry the industry into the 21st century, the National Restaurant Association sponsored the "Foodservice Employment 2000" Symposium on January 10. The symposium, held in Washington DC, featured speakers from groups, such as Hispanics, blacks, women, senior citizens and the handicapped, that can be wooed into the job market. These representatives outlined the needs and wants of their constituencies and what benefits they can offer foodservice employers.

"Foodservice Employment 2000" also gave several restaurant industry leaders the opportunity to describe model employment programs that are already operating successfully. These programs included low-skill training, career mobility and advancement information, and support programs offering services such as transportation and day care. Here are a few of the notable programs that were outlined during the symposium.

Dean Groff

"In foodservice, people are our key asset, and the time is coming rapidly when companies will be assessed by their ability to attract and retain the right kind of people," said National Restaurant Association President Jim L. Peterson as he opened "Foodservice Employment 2000."

—Franchise Associates/ Arby's, Minneapolis, MN

Moving them through the ranks

The most effective managers for a particular operation are often those who have come up through the ranks, comprehensively learning the system step by step. At the Minnesota franchisee of Arby's, the retention rate has shot up since the company implemented a series of employee development programs that recognize dedicated hourly workers and cultivate them for management positions. Of Franchise Associates' 36 store managers, 10 began as hourly crew members.

Franchise Associates' Management Assessment Program (MAP) is a three-week training program that helps develop full-time managers who will be responsible for the operation of an Arby's restaurant. Through a graduated cash incentive program, managers are encouraged to identify potential managers from within their restaurants.

Once the trainee completes the MAP and is promoted to associate manager, the manager making the recommendation receives a cash bonus. An additional cash bonus is paid to the manager when the rookie completes three months in the new position. A restaurant manager can refer up to three individuals into the MAP each calendar year and can receive up to $250 for the first candidate, up to $500 for the second candidate and up to $1,000 for the third.

According to Doug Kennedy, vice president of Franchise Associates, the cash bonus is important "because it recognizes the fact that we're taking from them someone that they developed. It's an honor to have developed someone for the MAP, and it's a skill we look for."

The management personnel brought up through the company's ranks have a decidedly higher rate of retention than those hired from outside the company. In 1987, for example, 85 percent of the people who were developed through the MAP were still employed at year's end.

The MAP, however, is only one element of the company's strong promote-from-within policy. Franchise Associates also has in place several other formalized programs to recognize hourly employees who show management potential. The Relief Associate Manager (RAM) program, for example, encourages managers to develop some employees to serve as managers in a relief role. To enter the program, employees must be at least 18 years old, must be recommended by their managers and district supervisors, and must complete a RAM training program. The training program, which usually stretches over 90 days, involves seminars, on-the-job training and a final exam. Managers are encouraged to keep three to four people in the program constantly.

Arby's advancement programs also help the company recruit workers. "If we see a high school applicant with leadership potential, we'll talk right away about the RAM program," says Kennedy. "There are really lots of examples out there of employees who have flown up the career ladder in fast food," adds Kennedy. "But we in the industry have to do a better job of getting the word out."

—Creative Gourmets, Ltd., Boston, MA

Managers "let their fingers do the walkin' "

To help their most motivated managers solve their own labor problems, Creative Gourmets of Boston put together a "yellow pages of labor resources." The corporate office took on the time-consuming task of compiling a list of resources that includes social service agencies for free labor, paid agencies, vocational schools and colleges, and culinary and HRI schools. The books are distributed to each unit.

"We give them the contact and an anecdote about how we've used the source in the past, and the rest is up to the manager," says Dennis Zaia, vice president of human resources. "We've found the book works very well for those who want to take charge."

Creative Gourmets' book of labor resources, which varies by geographic region to suit the needs of particular company units, is updated each year by sending out questionnaires to sources. "We spent a lot of time on it," says Zaia, "and we purposely made it look like a phone directory, because we wanted our people to think of it as a resource."

—Restaurant Association of Maryland, Baltimore

Being taken under the wing

Apprenticeships traditionally have not been an integral part of restaurant management programs. "But we know from experience that many of the best in the business learned at their father's knee or by being taken under the wing of another manager," says Marcia Harris, executive vice president of the Restaurant Association of Maryland. Accordingly, the state association recently began an apprenticeship program that Harris believes is the first of its kind in the country.

Max Karl Winkler

The apprenticeship program combines classroom instruction with hands-on work. Over a three-year period, apprentice assistant managers will work 6,000 hours at a participating foodservice facility. In addition, the trainee will be required to complete 240 hours of "related instruction," which includes not only traditional culinary-arts subjects, but also courses in restaurant law, purchasing, nutrition, math, customer relations, menu design and other management skills.

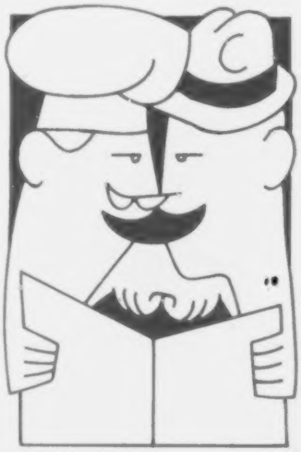
Because state approval was received a short time before the enrollment date, only nine students are enrolled in the first class. Interest on the part of students has been encouraging, however, and restaurants have shown an even greater interest. "We've already got two or three restaurants for every apprentice we want to place," says Harris. By combining eight hours of classroom theory each week with 40 hours of hands-on work, Harris explains, the program should turn out unusually well-rounded candidates.

—Minnesota Concessions, Inc., Shakopee, MN

"Real-world" experience

Canterbury Concessions, a unit of Minnesota Concessions that operates the foodservice facilities at Canterbury Downs racetrack, developed a paid internship program that, according to the program's director, Gary Zachman, "allows the company to recruit and select future employees based on their performance, while at the same time enhancing the students' employment potential."

Three students are selected each summer to work fulltime from early June through August. In 1988, the first year of the internship, students were recruited from vo-tech programs and colleges and worked four weeks each in the fine dining, concession and cafeteria segments of the operation. In the coming year, however, Zachman is going to select interns with a particular interest in one of the areas.



The interns meet weekly with management to assess their experiences, and at the end of the internship the students are evaluated to determine how well company standards were met and to identify areas of strength and areas for potential improvement. In addition to allowing the students to apply classroom knowledge to "real-world" situations, says Zachman, the internship program "helps develop support for the industry from participating schools, and provides Canterbury with a pool of motivated and productive employees."

—The Balsams Grand Resort Hotel, Dixville Notch, NH

Dropouts drop in

At the Balsams, a seasonal resort in northern New Hampshire, Project REBATE (Re-enter with basic academics and training into employment) was started with the intention of training young people who had dropped out of school. Participants in the program work toward obtaining a GED high school diploma while gaining work skills and increasing self-confidence.

The program, which is sponsored by the New Hampshire Job Training Council, has brought six youngsters each of the past two seasons to the Balsams to work in the resort's dining room. The workers are housed in a group house where they receive academic instruction. Nine out of the 12 students successfully completed the program, and a few of the students still are working at the resort.

Up to 75 percent of the employees' wages are reimbursed by the state government, and these funds are donated back to the state to help pay for the group house, says maitre d'hotel John Carroll.

Many of the Project REBATE employees come from troubled backgrounds and have few job skills. But Carroll is optimistic about the program's future and considers Project REBATE to be "definitely worthwhile."

"Leaders in the industry should participate in programs like this," he asserts.

—David Slater

Max Karl Winkler

Holding onto Your Chef

by Gary M. Stern

Few restaurants not run by a chef/owner have managed to keep the same chef for a decade. Like beauty salons, restaurants often hire away the latest "hot" chef to boost business. But restaurant owners can keep their chefs motivated and therefore loyal to their restaurants for three to 10 years. Here is a look at some proven strategies.

Many factors contribute to why chefs change restaurants so frequently, including more pay, more creative autonomy and problems communicating with the owner. Consultant Clark Wolf, who has advised restaurants such as Sign of the Dove and Arizona 206 in Manhattan, explains that chefs often leave a restaurant because "they're building a repertoire and experience." One key to keeping a chef motivated and on staff is to stretch his or her talents. This avoids stagnation and boredom.

Stretching a chef's talent

Motivating chefs, says Wolf, involves providing them with diversity and depth of experience at the company's expense. Often this means sending a chef away for a learning experience. Alice Waters, owner of Chez Panisse in Berkeley, California, sent four chefs on a cooking tour of Bangkok, Thailand, in January. "It's good for the whole team, brings them experience," and is worth the financial cost, explains Waters.

Not all trips need to be abroad, however. In 1985 Joe Santo, owner of Manhattan's Sign of the Dove, knew that culinary creativity was flourishing in California and that his new chef, Andrew D'Amico, who had been sous chef at Sign of the Dove for three years, had never been exposed to California cooking. So Santo decided to take D'Amico on an eating and learning tour of California cuisine. "The first night we landed we hit four restaurants," recalls D'Amico, who three years later is still ensconced as Sign of the Dove's executive chef.

Until his California trip, D'Amico's knowledge of salads had been so limited that he considered watercress and endives "exotic" ingredients. Exposed to California ingenuity, he returned to Sign of the Dove and started putting his new knowledge on the menu.

Why is learning new tastes so important to a chef? According to D'Amico, "We're set in a place where we have to be constantly expanding conceptually and motivated creatively to meet the market's demands. To be a chef in a restaurant in Manhattan you have to live food, be exposed to it and constantly be inspired."

Owner Santo is not resting on his restaurant's three-star laurels. This summer he will be taking D'Amico to Hong Kong to explore Asian cooking.

Providing extras: competitions, charity events, cookbooks and special-menu nights

Not every restaurant owner, of course, can take the chef on an all-expenses-paid, cross-country or international culinary trip. Entering chefs in competitions and charity events is a less costly way of granting much-needed recognition and stimulating culinary talents. Reid L. Ashton, owner of the Golden Mushroom in Southfield, Michigan, sent two of his chefs to the Culinary "olympics" in Frankfurt, Germany, last fall. Bringing back nine gold medals went a long way toward boosting the spirits of his team.

Each year Bradley M. Ogden, executive chef of Campton Place in San Francisco, involves his chefs in different charity events. According to Ogden, charity events serve as a meeting place for chefs to share ideas. On a rotating basis, Campton Place chefs are sent to such events as New York City's annual Meals on Wheels fundraiser and to the Washington DC March of Dimes dinner. They are also given time off to appear on the syndicated "Regis Philbin Show." Charities usually pay for the airplane fare, but the restaurant may have to pick up hotel fees and expenses.

"It's really important that cooks dine out, meet with other chefs, see what's happening around the country and pick up new ideas," explains Ogden. A chef's main objective, suggests Ogden, "is to grow as an individual, learn as a cook and develop his or her palate."

One way to add a new dimension to a chef's experience is to encourage him or her to write a cookbook. Alice Waters, a cookbook author in her own right, has used her publishing contacts to generate cookbook deals for some of her leading chefs. In late 1988, chef Paul Bertolli's *Chez Panisse Cooking* was published. A book-signing tour followed. Waters describes the experience for Bertolli as "a lot of extra work, but he explored avenues he hadn't been down before." The recognition that comes from interviews and publicity tours following a cookbook's release can boost a chef's morale.

Some restaurant owners have devised ingenious ways to stretch a chef's talent without sending him/her

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out of the restaurant's kitchen. Danny Meyer, owner of the Union Square Cafe in Manhattan, for example, has designated Sunday nights as special wine and food nights. Each Sunday evening the chef explores the cuisine and wines from a designated region in Spain or France, thus expanding the restaurant's classical French menu. In this way, says Meyer, the chef also expands his repertoire and faces new culinary challenges.

Seeing the chef as artist

While money certainly plays an important role in attracting chefs (see sidebar), many consultants downplay its role in keeping a chef. Karen McNeil, restaurant consultant and director of the New York Professional Service School, says, "In my experience, as often as not, chefs move on for creative reasons as much as for financial reasons."

McNeil describes chefs as artists who derive considerable satisfaction from their creations. If the owner is fully supportive of the chef's creative abilities and innovations, it is more likely that the chef will prosper and stay put. If the owner has one view of his menu and the chef another, however, irreconcilable conflicts are likely to arise. McNeil advises owners against placing too many limitations on the menu, thereby restricting a chef's natural creativity.

Veteran restaurant consultant George Lang, who has been involved with more than 400 restaurants in 20 countries and writes the monthly "Table for One" column in *Travel and Leisure*, agrees that chefs can stay motivated if they're treated like artists. He says, "Everybody is supposedly motivated by the sex drive and the territorial imperative, but chefs have a third drive, which every restaurant owner/manager should satisfy—the drive to be recognized as a creative individual."

Lang urges restaurant owners and managers to incorporate their restaurant's "unique selling proposition"—the chef's signature dishes—into their menus and merchandising efforts. Marketing, for example, could highlight the chef's original shrimp dish, idiosyncratic pasta, and award-winning dessert. Thus the restaurant simultaneously expands its reputation and that of its chef.

Giving autonomy

Since many chefs consider themselves artists, autonomy plays a major role in keeping them motivated. Although offered more money from restaurants in New York City and Cleveland, Cathy Armburger, executive chef of La Normande in Pittsburgh, Pennsylvania, has spurned such offers. What has kept her motivated as La Normade's chef during the last six years has been the freedom she has been given.

"I'm allowed to do whatever I want with the menu. I change the menu daily," she says. "This keeps me inspired." For example, she has created a tuna tartare with vodka instead of brandy for her French-influenced menu—and for dessert, a napolean made out of filo dough with cranberry sauce.

What's most important to her as a chef is to avoid the drudgery of falling into the rut of preparing the same menu day after day. Changing the menu daily rejuvenates her.

Autonomy and challenge meant so much to Tim Felver that he stopped working for Wolfgang Puck at Los Angeles' highly regarded Chinois restaurant to serve as executive chef of a new American-style restaurant in Jacksonville, Florida—the Florida Cafe. Florida Cafe's owners do not interfere with Felver's province in the kitchen as long as he adheres to his budget. "I get motivated by trying to change people's—especially Southerners'—attitudes toward eating," he says. He strives to prepare his dishes in unusual ways, such as smoking local shrimp, making blue angel-hair pasta with a vinaigrette made from local melons, and serving blanched vegetables with a plum mayonnaise.

Consultant George Lang agrees that in order to keep a chef happy an owner must provide "a possibility of growth within the organization. If you have only one restaurant and the chef works for you for 20 years, unless you do something special each year or couple of years, eventually he'll listen to the song of sirens and go somewhere else." Rewarding performance and giving chefs a diversity of experience are the keys to keeping chefs happy, says Cindy Pawlcyn, co-owner of five successful California restaurants, including San Francisco's Fog City Diner, Napa's Mustard Grill and Monterey's Rio Grill. "We mostly promote from within so people know that there's growth potential," she says. Furthermore, if Pawlcyn sees a chef going stale, she will arrange a transfer to another restaurant to keep the creative juices flowing.

Communicating

Steve Fernald, director of apprenticeship at the American Culinary Federation (ACF), based in St. Augustine, Florida, and a former executive chef, says that how an owner communicates with the chef determines the chef's motivation. "If decisions are made bilaterally and the chef is included in the decisionmaking process," says Fernald, "it's more likely the chef will be motivated to stay."

For example, if sales are down 3 percent from last year, the owner may say to the chef, "What do you think we can do to improve income? What new trends can we try?" But if the

Money's role in keeping a chef

Anyone who has read biographies of Ernest Hemingway, F. Scott Fitzgerald or Pablo Picasso knows that while artists have a passion for their art, money motivates them as well. And chefs, self-described artists, are no different. "Most chefs are overworked," says Steve Fernald, director of apprenticeship at the American Culinary Federation in St. Augustine, Florida. "If salary is static and doesn't increase," he says, "that's the fastest way to have your chef start looking for another job to raise his or her salary."

The deal that a chef negotiates with an owner depends, of course, on the chef's background, experience and status. Many restaurants and owners base their entire menu and vision on a chef, while other restaurants are owner-driven and hire a chef to execute a prearranged menu. When the chef is chief—in charge of producing the menu—financial incentives often

include bonuses, culinary trips, time off for education and (if the chef is involved in bottom-line efforts) profit-sharing—often tied in with a restaurant's goals.

Reid Ashton, owner of the Golden Mushroom in Southfield, Michigan, points out that since chefs opt to work in a small business rather than a corporation, they often have entrepreneurial instincts. That's why he believes that to keep a chef, an owner "has to involve him/her with incentive bonuses tied in to profitability, or make them a partner." Ashton started his chef Milos Cihelka (CMC and AAC) with stock options and eventually made him a partner. Since Cihelka has been executive chef for 13 years, Ashton's approach has obviously worked.

Yet Ashton is quick to add that money isn't enough to sustain a chef. "No one will work just for money and be emotionally happy," he says. An owner can provide raises, but a chef has "to keep up his imagination and avoid getting stale."

owner says, "Sales are down. We're trying a new menu," the odds are that that chef will be updating his or her resume.

To consultant George Lang, the owners who prove most adept at keeping their chefs over the long haul are the ones who are on the premises and actively involved in the running of the restaurant: "You have to be there when the chef needs you, develop a good personal relationship which is not patronizing or servile, behave in a constant and even way—instead of going up and down like a needle on a record—and when allowed into their kingdom, the kitchen, you enter and give honor and respect."

Developing a climate for success

When most chefs talk about money, they're really masking their frustration with management, says Earl Bebo, who teaches the "Development of Supervisors" class at the Culinary Institute of America in Hyde Park, New York. Too many owners, he says, place barriers to success before a chef. According to Bebo, keeping a chef motivated boils down to eight factors that form what he calls a "climate for success." They are (1) setting high standards, (2) delegating responsibility, (3) providing continuous honest feedback, (4) providing encouragement and praise, which means constructive criticism and boosting people's morale, not putting people down, (5) creating the expectation of success for each individual, (6) maintaining open communication, which includes attentive listening, (7) providing desirable rewards and (8) providing the potential for achievement, growth and opportunity.

The chef who accepts an offer for $10,000 more, postulates Bebo, is often confused, thinking that the money will determine his happiness. Often that chef wants a greater challenge or more autonomy, or is lacking in the expectation of success. If owners concentrate on communication, creating a high-energy atmosphere, listening to a chef's concerns and developing this climate of success, chefs will stay on the job and produce.

Alice Waters of Chez Panisse agrees that money is often a smokescreen for underlying problems. "When money is brought up, you know that something is wrong in the restaurant. You have to figure out what's happening." Her solution involves trying to stave off future conflicts: "I keep a real ear to the ground, talking to people in charge about problems in the restaurant and at home and figuring out ways to solve them before they become unsolvable."

Taking care of the entire kitchen team

Although many chefs have strong egos, many also realize that it takes more than satisfying the executive chef to keep a kitchen happy. Executive chef Daniel Boulud works with a crew of 27 in his kitchen at Le Cirque in New York. "To keep me happy is to keep my crew happy," he says. With so many responsibilities divided among his staff, he is insistent that the restaurant's owner pay attention to the sous chef and potwasher as well as to him to keep things running smoothly. Football tickets, Christmas bonuses, champagne to celebrate special occasions and cut-rate dinners for visiting family are some ways that Le Cirque boosts its staff's morale. Boulud would like to see more profit-sharing for the entire kitchen staff, not just the executive chef—which he says is a common practice in Europe.

Creating an ensemble

Some restaurateurs have tried to sidestep the problem of keeping a chef by creating an ensemble kitchen where no single person is the star. Michael McCarty, chef/owner of Michael's restaurant in Santa Monica, California, says that one of the secrets to his success has been "developing a system that did not rely on a single individual" as executive chef. McCarty believes that it takes 10 good years to develop a chef's full talent, both in a culinary sense and in managing the back of the house. "We took the prima donna out of the chef mode," he says. He chooses not to pursue executive chefs but hires entry-level chefs and trains them as they move up the ranks. Everyone on his staff, therefore, is schooled in every position and can assume manifold roles.

Alice Waters employs a similar approach at Chez Panisse. All the cooks, she says, collaborate in running the kitchen. Not having one executive chef at the hierarchy's top reduces the pressure on all the cooks.

Forming a strategy

In the restaurant business for more than two decades, Tom Margittai, owner of the Four Seasons in New York, has seen chefs come and go and knows how tricky it is to keep a chef happy. Through the years he has developed a strategy that has proven quite successful for keeping chefs rooted for extended periods, and he urges other operators to do the same. Margittai describes his approach: "First you find a dedicated professional who likes to cook; give him or her the freedom of expression and creativity and encourage it. Form a complementary team and become the chef's best admirer and his or her best critic. Let the chef know you have a genuine interest in his or her recipes and creative ideas and be on hand to participate." ❑

SECRET INGREDIENTS

by Michael Roberts

There are no such things as secrets in the kitchen, but there are secret ingredients that are not tasted but would be missed if they were omitted.

A painter creates a painting by organizing colors and shapes in some coherent way, just as a musician organizes notes into melodies to form a musical composition. Cooking, likewise, is the act of taking basic ingredients and organizing them in a coherent way, using food as the medium and flavor as the message.

Flavor is to food what hue is to color. It is what timbre is to music. Flavor is adjective, food is noun. "Stars and Stripes Forever" played on the banjo sounds different from the same music played on the tuba. Garlic on shrimp is quite unlike the flavor of garlic on steak. Each ingredient has its own particular character, which is altered by every other ingredient it encounters. It would be easy to master the use of flavors if we could simply put them into categories. But intelligent, good cooking is more complicated than that.

Most people who do not cook professionally think that those of us who do have secrets that we will never divulge. There are no such things as secrets in the kitchen, but there are secret ingredients that are not tasted but would be missed if they were omitted. A secret ingredient is one that mysteriously improves the flavor of a dish without calling attention to itself. It's either undetectable or extremely subtle. But its presence is crucial because the dish would not be nearly as good without it.

Michael Roberts is chef/co-owner of Trumps in West Hollywood, California, a restaurant famous for its innovative cuisine.

The word *flavor* comes from an Old French word meaning "odor." Taste and smell are irrevocably intertwined. Flavor is the quality of a substance that affects the sense of taste, and the nature of its aroma, whether pleasant, overpowering or absent, will affect the way it tastes on the palate. For example, when I created chilled puree of beet and watermelon soup, I used watermelon for its lovely fragrance to make up for the lack of aroma in beets. The perfume of fresh dill in the dressing for pork and green-cabbage salad with dill and caper dressing makes up for the lack of aroma in capers. In other words, what we want to achieve is a combination of ingredients that pleases both senses. Our sense of smell excites our sense of taste, and when both senses are excited, the food we eat tastes better. So secret ingredients add dimension to what we cook by making it possible for our tasting senses, taste and smell, to perceive more.

Primary and secondary flavors

When we use more than one flavor ingredient in preparing a dish, not all of them will be perceived equally. Some will jump out at us and others will be lost. The flavors we taste can be broken down into two categories: primary and secondary. Primary flavors are those that are obvious, such as the flavors of chicken and tarragon in a chicken tarragon or beef and red wine in a beef a la Bourguignon.

Secret ingredients belong in the realm of secondary flavors. However obvious it is that you need tarragon to prepare a chicken tarragon, you would not achieve the most interesting result using only tarragon. Tarragon, in this case, needs secondary ingredients—a hint of celery seed and anise—to make it taste more like quintessential tarragon and at the same time more than tarragon. In this way, primary flavors often depend on secret ingredients to make them more interesting and complex. Using only one herb or spice to achieve a certain taste usually results in a lackluster dish—each mouthful tastes the same. For instance, when I prepare zucchini soup, I always finish it with a little walnut oil and a dash of Pernod. These two secondary flavors are the secret additions, not meant to overpower the zucchini but to keep it lively so that the first spoonful of soup does not taste exactly like the last. When I braise celery in mint jelly, I add tarragon vinegar to stress the celery flavor and make it more provocative. A pinch of curry powder will enhance the flavor of mussels, making their briny quality sweetly aromatic. And I wouldn't dream of letting a bean soup leave my kitchen without a final addition of lemon, the secret ingredient that adds piquancy, zest, and sparkle to the flavor combination.

Whether they function in a primary or secondary way, flavors combine in only three different ways: they marry, oppose or juxtapose.

Flavor marriages

When flavors marry, they combine to form one taste—either something new or something superior to the original. Curry powder and chili powder are examples of flavor marriages. The combination of herbs and spices in each case creates a completely new flavor, very different from any of the single ingredients. And although curry and chili powder share several of the same ingredients, such as cumin, coriander, garlic and cayenne, they taste a world apart.

Some secondary flavors marry with primary ones to create a new flavor greater than the sum of its parts, and often two flavors can do the job better than one. Instead of increasing the amount of sherry in a seafood bisque, I add a little brandy to make the sherry taste more prominent. The marriage of the two ingredients, sherry and brandy, creates one flavor, giving a more interesting sherry taste than if we merely added extra sherry.

It may sound like an eccentric combination, but vanilla marries with the flavor of lobster, making it taste more like the essence of lobster than lobster does on its own. Sorrel marries with spinach to form a more perfect taste union, and when ginger and molasses marry, they create a flavor superior to either alone.

In another type of marriage, some secret ingredients act as a catalyst. Their function is not only to marry with a primary flavor but to spark a change in it. Garlic, when used as a background flavor, is my favorite catalyst. A hint of garlic will change the way lemon tastes by making it seem more than a merely tart flavor. A lemon/garlic combination is capable of adding a flavor interest that neither lemon nor garlic can accomplish alone. Cooked onions added to any vegetable soup help create a sweeter flavor. Salt is the most common of the catalysts. It marries with other flavors, making them brighter.

BRAISED LAMB SHOULDER WITH BLUE CHEESE, JALAPENOS AND PORT

Serves 6 to 8

This is a truly magical combination of flavor and aroma. Port wine and blue-veined cheese, sweet and salty ingredients, cancel each other and create a balanced ensemble.

Ingredients:

1 3½ to 4-lb. boneless spring lamb shoulder
5 Tbs. unsalted butter
½ lb. Roquefort, Stilton or blue cheese, crumbled
2 fresh jalapeno peppers, seeded and finely minced
½ cup port wine
1 cup veal stock or canned low-sodium beef broth

Method:

Trim excess fat and any gristle from the shoulder. In a small pan over low heat melt 4 Tbs. of the butter and pour it into a small dish or cup and set aside. Preheat oven to 325° F.

Place lamb, fat side down, on work surface and spread half the blue cheese on the inside of the meat. Sprinkle with the jalapeno peppers, then roll the roast and tie with string in several places. Brush with clarified butter, place in a Dutch oven with a tight lid and cook in the oven for 1¼ hours. Baste frequently with remaining butter. Increase oven temperature to 425° F; uncover and continue to cook 15 to 20 minutes to brown.

Remove the meat to a platter. Place the pot over high heat and cook for 2 minutes. This step separates the pan juices from the fat. Using a spoon, remove as much fat as possible. Add the port and boil 1 minute. Add the stock and reduce until the liquid starts to thicken. Remove from heat and add remaining blue cheese. Whisk in the remaining butter.

Untie the lamb, carve into slices, arrange on a platter and spoon the sauce over it. The plainer the vegetable accompaniment, the better. Serve a robust red wine—a California Merlot such as Stag's Leap or a Rhone wine such as Cote de Roti.

Acidic catalysts, such as vinegar, citrus juices, and wine, give backbone to the flavors of a dish; they keep the primary flavors from disappearing. That is why white wine is often used to embolden basil or other fresh herbs in fish sauce; red wine keeps the flavors of beef stew intact throughout the long cooking. Vinegar can be used as a catalyst to lift certain flavors out of the background and make them seem more prominent. Potato soup needs a hint of vinegar to lift the potato flavor out of the background. In certain parts of the country chili is always served with a cruet of vinegar, to enhance the tomato flavor that would otherwise languish below its flavor potential. Lemon or lime juice is the important catalyst in dishes like *seviche* and other raw preparations because it marries all the flavors—and it also "cooks" the protein a bit.

Flavor oppositions

The cliche "opposites attract" is particularly apt when applied to flavors. Opposite flavors can highlight or cancel each other.

Opposite flavors can highlight each other by their contrasting natures. Sweet/sour, sweet/salty, sweet/hot, salty/sour, and salty/tart are all opposites. Sometimes these opposites have a surprising effect on each other. You're probably familiar with the flavor transformation of vinegar and sugar to make the classic sweet-and-sour taste. But you may not realize that the sweetness of ice cream becomes even sweeter when contrasted with salted Spanish peanuts in a tin-roof sundae. Salt and sugar are so opposed, in fact, that when used in equal amounts they cancel each other entirely. Sweet relish helps to cancel the salty flavor of hot dogs. Chinese sauces usually contain some sugar to help balance the saltiness of soy sauce.

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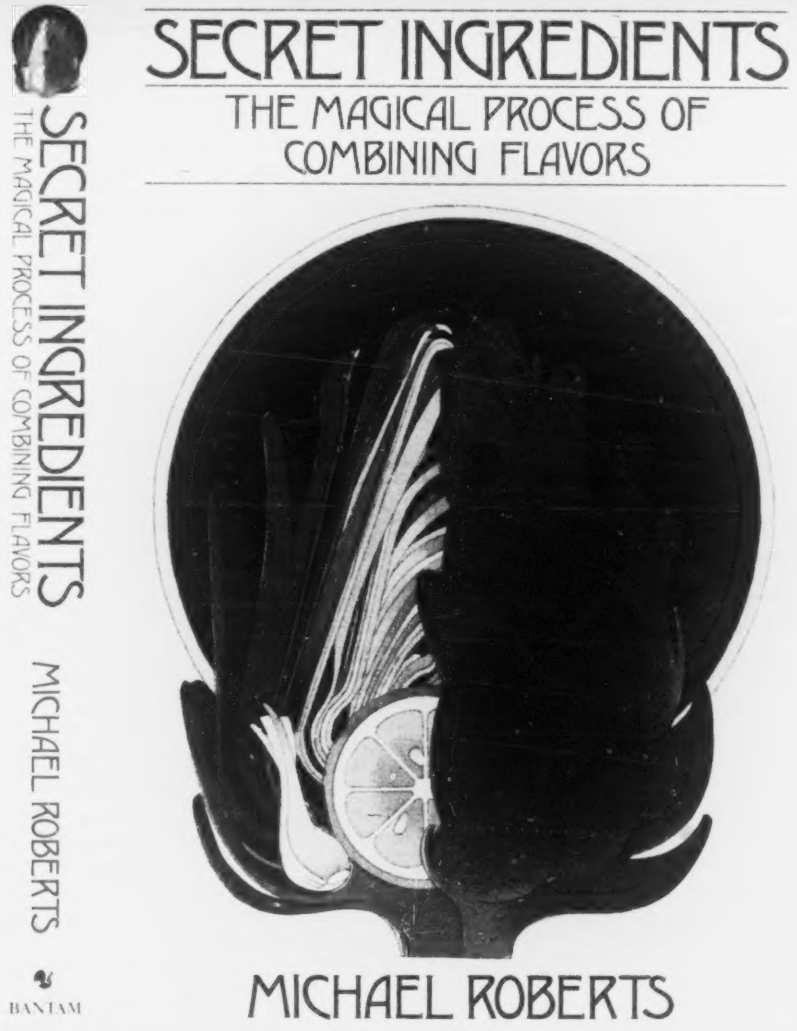
SECRET INGREDIENTS
THE MAGICAL PROCESS OF COMBINING FLAVORS
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BANTAM

Astringent ingredients such as mint, cucumbers, apples and grapes oppose other flavors by cutting through them. Apples and grapes are popular with cheese because they cut the strong, rich cheese taste. Cucumbers will cut the taste of mustard in a sauce. Mint cuts the fatty taste of lamb.

Opposite flavors can also be used to balance each other so that no single flavor stands out. That is why smoked fish tastes better with the addition of lemon juice.

Some flavor oppositions are quite familiar to us. Sugar cancels the bitterness of cocoa so that chocolate becomes delicious. Spicy flavors are balanced by sweet or fruity ones. You may not have tried it, but watermelon and Tabasco sauce is a pleasing combination. Sweet wine and black pepper make a delicious sauce. Other combinations that react together in this way are lime and capers or apples and tarragon. Sometimes a flavor is created when we use opposite flavors to balance each other. Fresh mint, dill and cilantro, when combined, form a new flavor. Combine them in equal parts and taste—you'll get the point instantly.

Flavor juxtapositions

Because different flavors are sensed on different parts of the tongue and palate and because they are tasted at different times, we can juxtapose them, using flavors side by side or in layers.

The taste buds on the tip of the tongue sense sweet flavors, the salty and sour receptors are along the sides, and the bitter sensors are at the back of the tongue. Although a first bite tasted with the tip of the tongue may not immediately reveal all the flavors of a dish, when flavors are juxtaposed we eventually taste all of them. In my recipe for mustard-fried shrimps I flavor the batter with mustard seed and the sauce with tarragon. Putting mustard and tarragon together in both the batter and the sauce does not create as interesting an effect as separating them so that each flavor is tasted at different times. The layering of flavors makes the food we taste more interesting because each mouthful is different. A flavor may be tasted immediately, or it may linger in the mouth. Cocktail sauce initially reveals tomato but finishes with horseradish (and lemon is the catalyst that marries them).

Secondary ingredients can be juxtaposed with primary ones to mask a certain aspect of flavor, making it less

BROCCOLI AND TOASTED

Serves 4

Garlic sweetens the green, earthy taste of broccoli. Fresh garlic can be paired with it, but roasted garlic adds a nuttiness to broccoli and takes its taste into another realm. Here garlic is a catalyst that changes the way we taste the broccoli. The secret ingredient is tarragon, which highlights the licorice aspect of the broccoli taste.

Use cold-pressed peanut oil if you can; it reinforces the nutty roasted-garlic flavor. Olive oil works well, too—the greener the better in this case. There is no mustard in this vinaigrette because it would interfere with the focus flavors: the nuttiness of the garlic and oil and the anise quality of the tarragon and broccoli. Red wine vinegar gives the balancing acetic edge without adding another strong flavor to the dressing.

Ingredients:
1 bunch broccoli (about ¾ lb.)
1 Tbs. salt
1 Tbs. cold-pressed peanut oil or olive oil, preferably Greek or Spanish
4 Tbs. pine nuts
12 garlic cloves, peeled
½ cup red wine vinegar
⅓ cup additional cold-pressed peanut oil or olive oil
1 Tbs. chopped fresh tarragon leaves or 1 tspn. dried

Method:
Using a small knife, trim the tops (floret) from the broccoli and reserve on a plate. Fill a 2-quart pot with water, add the salt, and bring to a boil over high heat. Fill a large mixing bowl with water and ice cubes.

Meanwhile, using a knife or vegetable peeler, trim the woody outer skin discernible but without canceling it entirely. Garlic masks the medicinal bitterness of rosemary, leaving mostly its herbaceous scent. This is how the juxtaposition of secret ingredients make a single herb, such as rosemary, more intricate. I often add a pinch of ground cloves to mask the bitterness in a red-wine reduction without diminishing the presence of the red wine. And sometimes it is desirable to mask the bitter aspect of cloves without negating its aromatic quality. Orange accomplishes this quite nicely; spice cakes are much better with orange zest in the recipe. Mulled cider can be sweetly redolent of clove because the apple flavor masks its bitterness.

The most common mistake cooks make is flavoring a dish with too many herbs and spices. Tarragon and basil are too similar in their peppery flavor yet too contrasting in their aroma to be combined successfully. I would not combine vanilla and garlic, for instance, or oregano and mint, because they would not help each other or combine in a pleasing way. I would not combine mace and nutmeg or allspice and cloves, because in both cases the two flavors perform the same function. Arugula and watercress create a spicy muddle when used together in a salad—choose one or the other, combined with some bitter endive or radicchio.

All this may sound like alchemy—somewhat intellectual—when our very real interest in food is anything but; in fact, analyze all this too much and you can easily go right to the vanishing point. But there are the secrets I've learned in 15 years of cooking for thousands of people that I want to share in the hope of demystifying contemporary cooking. ❑

PINE-NUT SALAD

from the broccoli stalks, exposing the light green, tender core. Julienne.

Submerge the broccoli florets in the rapidly boiling water and cook 1½ minutes. Remove with a slotted spoon and plunge into the ice water to stop the cooking process and to preserve the bright green color. Repeat the procedure with the julienned stalks, but cook only 30 seconds. Remove from water and plunge into ice water. When completely chilled, remove all the broccoli from the ice bath and drain completely on kitchen towels. (Wet broccoli will dilute the dressing and ruin all your work.) Preheat oven to 350° F.

Heat 1 Tbs. oil in a small ovenproof skillet over medium heat. Add pine nuts and cook, tossing, until they turn a light honey color. Remove with a slotted spoon and reserve on a small plate.

Add the garlic to the oil remaining in the skillet and toss briefly over medium heat, about 2 minutes. Add the vinegar, bring quickly to a boil, and place immediately in the oven. If you are using dried tarragon, add it now. Roast, covered, until garlic is tender, about 15 minutes. Remove from oven, let cool slightly, transfer to a blender; puree until smooth. Place puree in a small mixing bowl and beat in the ⅓ cup oil until absorbed. If using fresh tarragon, chop the leaves and add them to the dressing now.

Toss the pine nuts and the julienned stalks of broccoli together with half the dressing and mound on plates. Toss the broccoli florets with the remaining dressing and place on the mound of julienne.

SPICY CINNAMON SHRIMP

Serves 4. Allow one day advance preparation time.

The result of combining cinnamon and orange is a new flavor—reminiscent of both ingredients but resembling neither. This combination has a fruity yet dusky flavor; it needs the spiciness of cayenne pepper and the shrimp's metallic impression to make cinnamon work in a savory context.

Ingredients:
1 cup fresh orange juice
2 Tbs. fresh lemon juice
1 orange, grated zest only
2 cinnamon sticks
1 tspn. cayenne pepper
1 tspn. salt, or to taste
1 Tbs. dark sesame oil
16 jumbo shrimp, peeled and deveined, with tails left intact
2 vine-ripened or hothouse tomatoes, sliced from tip to stem
2 Tbs. chopped parsley

Method:
In a medium saucepan over high heat combine all ingredients except the shrimp, tomatoes and parsley. Bring to a boil, cover and cook 1 minute. Place the shrimp in a glass bowl and pour the boiling marinade over them. Cover and allow to cool to room temperature. Refrigerate overnight.

The next day, place sliced tomatoes on a platter, arrange the shrimp on top, spoon the marinade over them and sprinkle with chopped parsley.

PUREE OF SWEET PEA AND WATERCRESS SOUP

Serves 6

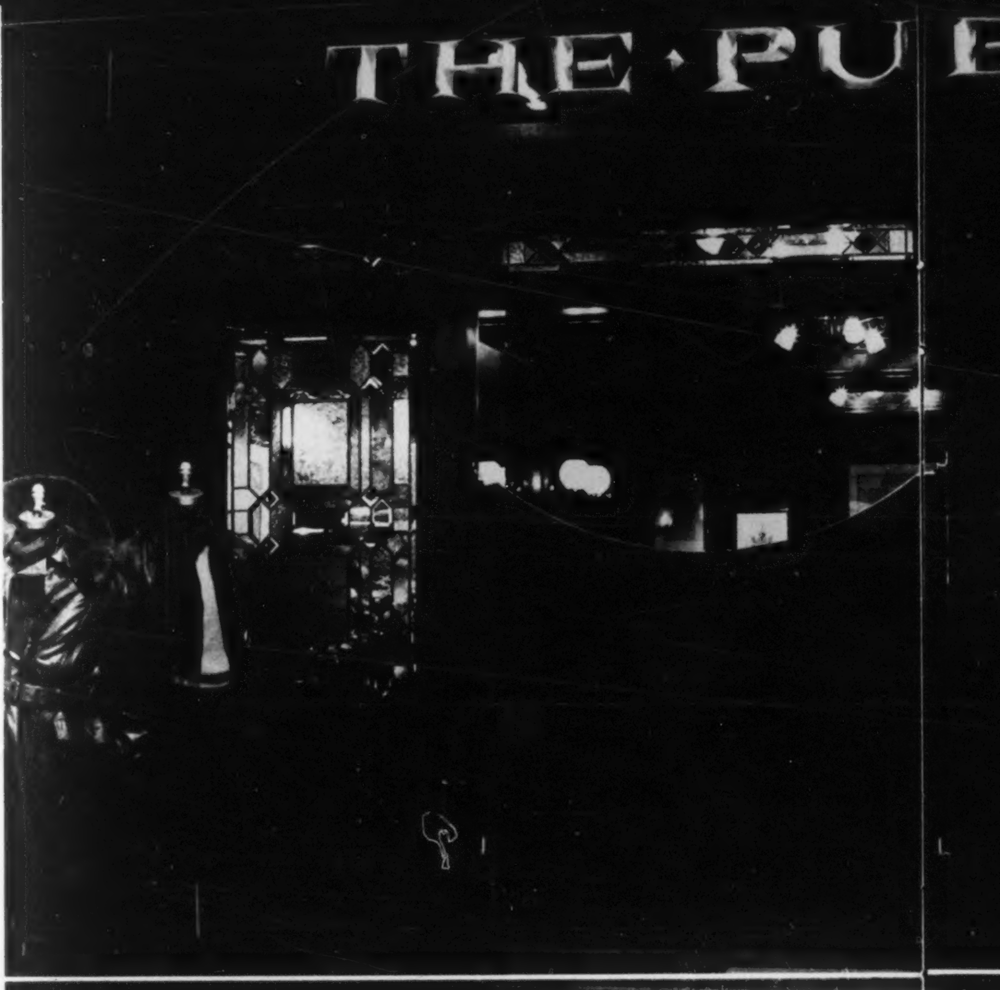
In this soup, spicy watercress and sweet peas are complements, showing off each other's flavor.

Ingredients:
4 Tbs. unsalted butter
1 medium onion, roughly diced (about ¾ cup)
1 lb. fresh peas or 2 10-ounce boxes frozen peas
1 tspn. salt
1 qt. chicken stock or canned low-sodium chicken broth
3 bunches watercress (about 6 ozs.)
1 cup whipping cream
Freshly ground pepper

Method:
Melt butter in a 2-qt. pot over low heat; add the onion. Cook slowly, stirring, for about 7 minutes. Add the peas and salt and cook about 3 minutes. Add the stock, cover and bring to a boil. Reduce the heat and simmer for 15 minutes.

Strain and reserve liquid. Transfer peas to a blender or food processor. Add the watercress, reserving 12 to 16 of the nicest leaves for garnish. Puree until very smooth. Return the puree to the pot and add the liquid. The soup should be thick but not like porridge. Add the cream, then the pepper to taste, and bring to a boil over medium heat.

Serve the soup in individual bowls or in a tureen and garnish with the reserved watercress leaves.



DEPARTMENT STORE REST

Until about 1950, large department stores catering to the "carriage trade" typically used a chunk of their space for tearooms. In the 1960s, the popularity of such rooms declined, and many started losing money. As real estate became more valuable in the 1970s, merchants began devoting the space to clothing and other items that were more profitable. Today, department-store restaurants have been revived as an incentive for customers to linger in the stores.

by Martha Groves

When caterer David Zafferelli joined the throngs at San Francisco's new downtown Nordstrom's department store, he dropped $150 on two flannel shirts and another $150 for bubbly and Beluga caviar at the store's Champagne Exchange bar.

"We just thought that was as much fun as shopping," he said. "I'll always go for any excuse to drink champagne and eat caviar."

Chic eateries replace tearooms

Increasingly, shoppers who stop to nosh at department stores are finding chic, newfangled eateries in place of the proper tearooms and restaurants of their childhoods. Whereas patrons in the early part of the century sipped tea and nibbled cucumber sandwiches, customers of upscale department stores today are more likely to have espresso and cookies or Cornish game hen and Chardonnay or mesquite-grilled chicken and pasta salad.

The shifts in department store food service reflect a fundamental change in the philosophy of shoppers, observers say. In the old days, people would make shopping an all-day event, with a leisurely lunch or tea break built in.

Today, with time-starved but hard-working baby boomers hankering for service and quality, the right restaurant can serve not only as a lure but also as an incentive to linger in the store.

Of course, old-fashioned tearooms still exist, and some, such as those at Bullock's Wilshire and Bullock's Pasadena in California, are thriving, particularly at holiday time. But many stores in recent years have turned these genteel anachronisms into stylish cafes or bistros where customers come year-round just to dine.

At the flagship Bloomingdale's in Manhattan, for instance, the premier dining spot among half-a-dozen eateries is Le Train Bleu, a re-creation of a luxury Orient Express–type dining car. The Dayton Hudson department stores in the Midwest are expanding a Marketplace Foods concept that offers carryout pasta, stir-fried dishes, freshly baked breads and frozen yogurt to busy downtown workers. At the new Nordstrom's in San Francisco, the marble-topped champagne bar has become a draw for upscale customers, as has an authentic English pub modeled on one at Harrods in London.

Unlike their tearoom predecessors, which usually were situated in a store's highest reaches, these food outlets are often stashed next to fashion departments.

Philosophies differ widely

Foodservice has gone in and out of favor with retailers over the last few decades, and even today, retailers' philosophies differ widely.

"It is a very mixed bag," says Charles Leven, senior vice president, director of operations, at Saks Fifth

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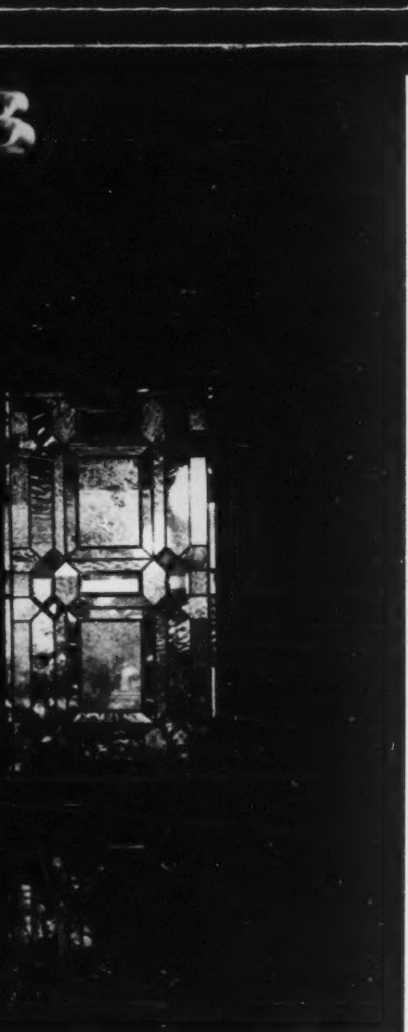
Martha Groves is a staff writer for the Los Angeles Times.



Entrance to The Pub in Nordstrom's new San Francisco Centre store is through the men's department. Bevelled stained glass windows and fine leather on the swinging doors add authenticity to the British setting.

Photo by Chris A. Webber : Restaurant design by Igor Sazevich & Associates

AURANTS

Avenue in New York. "Some companies are cutting back, a few are expanding." Saks intends to open its first restaurant at the flagship Manhattan store this year, Leven said, after customers clamored for foodservice.

Nordstrom's plunged into the food business 10 years ago after having leased space for years to a small chain of restaurants. It now has 70 food outlets in 58 stores, most under the names Espresso Bar and Cafe Express, featuring fresh soups and salads.

Faced with having to attract shoppers to a seedy location three blocks from Union Square in San Francisco, Nordstrom's decided to go in for some culinary theatrics in its newest store. "We wanted to create little pockets of fun," says Jim Dickinson, general manager of the Seattle-based chain's restaurant division. "We also wanted to create a reason for people to stay in our stores rather than get out to our competitors'."

The Pub, strategically placed next to the men's department, is modeled on the Green Man at Harrods in London, an innovative retailer that houses about 20 food outlets and a massive food hall where Londoners and tourists alike buy pricey groceries. The Nordstrom's room features stools covered with forest-green leather, a plank floor made of Kentucky barn wood, a healthy selection of imported and domestic beers and television monitors.

If the Pub idea proves successful, Dickinson said, Nordstrom's plans to expand it into other new stores nationwide. The chain also is considering a "bread-basket concept" that would sell freshly baked goods and small open-faced sandwiches, already dubbed Nordwiches.

The store's Champagne Exchange was designed to offer a high return. It takes up less space by far than a traditional tearoom would, yet it affords a high markup on its caviar and 103 champagne varieties. The concept "enables the customer to spend a lot of money," Dickinson says. "We do find, particularly in San Francisco, it doesn't bother people to be drinking a $9 glass of champagne."

Bloomingdale's flagship store in New York goes in for selling sizzle along with its steaks. "The restaurants at Bloomingdale's have evolved into unique concepts in tune with the eating public," says Will Hellemeyer, director of foodservice. "We are what people expect of restaurants in the 80s . . . and not what they expect to find in a department-store restaurant."

After renovating the housewares department several years ago, the store was left with a long, narrow space on an intermediate level between two floors. A store designer came up with the idea of copying a luxury dining car, complete with green-velvet chairs, white-linen tablecloths and brass chandeliers.

Le Train Bleu, which opened in 1978, is a "continental restaurant that competes with restaurants on the East Side of Manhattan and is rated in dining guides," Hellemeyer says. With seating for 64, the restaurant features such specialties as calf's liver with cassis and shallots, grilled Cornish game hen stuffed with foie gras and wild rice, and grilled swordfish with sun-dried tomato butter. Average tab: $20.

Bloomie's also offers Forty Carrots, a "healthy food" restaurant, Showtime Cafe, an upscale cafeteria, and Espresso Bar, a European-style cafe that offers pastas, salads, desserts and wines.

Food is fashion

The decision whether to offer foodservice is usually based on a store's location and bottom line. Store officials would not talk about their restaurants' financial results, but they acknowledged that foodservice is an expensive proposition.

The food business "in general has lower margins than most other merchandise in a department store," explains Ken Stevens, a consultant with the Los Angeles office of McKinsey & Co. It comes down to a tradeoff, with the retailer determining whether the intangible benefits of offering the service outweigh reduced profitability.

Meanwhile, foodservice, once the province of large department stores, has also spread to smaller specialty apparel boutiques such as Koala Blue, with its Australian-style milk bars; Fred Segal, which has restaurants at its Los Angeles area stores; Merry Go Round, a chain selling young men's and women's apparel that is testing a 50s-style diner and soda fountain in a store in Denver; and Barneys New York, an exclusive men's and women's clothier in Manhattan that has Le Cafe, a buffet and bistro bar with about 90 seats.

To Dickinson of Nordstrom's, the merging of menus and merchandise makes sense. "We consider ourselves a fashion retail store, and we believe food is fashion," he says. "There is tremendous opportunity for good dining." ❑

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A Retrospective

Tearooms

by Jan Whitaker

Many women who grew up around the middle of this century remember being taken to department-store tearooms by their mothers. Immersed in a roomful of women, they were subtly, or not so subtly, instructed in the intricacies of ladylike behavior. Temporarily part of the adult world of women, dressed in hats and white gloves, they learned to enjoy "feminine" delicacies such as shrimp salad on cheese bread with homemade potato chips.

These department-store restaurants were some of the last surviving examples of the tearoom, a kind of restaurant that orginated around the turn of the century and enjoyed its peak of popularity in the 1920s. Today, the name "tearoom" (or "teashop" or "teahouse," as they were also called) sounds quaint, as does the idea of a restaurant that appeals only to women. But, quaint or not, the tearoom had a surprisingly significant effect on the early restaurant industry emerging around World War I.

For women only

Although tearooms eventually became lodged in department stores, the original tearooms were independent establishments. In city downtowns they catered to shoppers and women of the so-called leisure class; in the country, they served motorists on rural byways. Most of these tearooms were owned, operated, staffed and patronized by women.

One thing that made tearooms appealing to women customers was that they were some of the few eating places in which women were truly welcome. Although there were a number of restaurants that catered equally to men and women, many were strictly male preserves, since they were as much saloons as restaurants.

In contrast, the tearoom promised the coziness and friendly warmth of home. The owner or a hostess greeted patrons, who were invited to linger over an order that perhaps consisted of nothing more than a pot of tea and a plate of cinnamon toast. Waitresses took time with patrons. Special dietary requests were honored, even if that meant preparing a dish not offered on the daily menu.

The tearoom was like the middle-class home in other respects as well. It was quiet and restful, unlike the commonplace white-tile lunchrooms with their hustle and bustle. In the average lunchroom, patrons wrestled each other for a seat, and many didn't even bother to remove their coats before hurriedly wolfing down their food. "In and out" was the lunchroom rule. In the tearoom, however, the pace was serene, and patrons had plenty of elbow room.

"Dainty" offerings

Restaurants with mostly male customers tended to have meat-heavy menus, a lot of greasy items and not many vegetables or salads. Tearoom food in contrast was simple and light, much like what many middle-class women were used to preparing for themselves at home.

Artistic appearance was also considered very important, and "dainty" was the word most often used to describe the offerings. Sandwiches had crusts trimmed off, and they were often cut in strips, oblongs or triangles. If cucumber sandwiches were ordered, for example, they would be delivered on bread cut in rounds just the size of the cucumber slices. A fresh flower might garnish the plate.

White food was very popular. In fact, white sauce was to the tearoom what ketchup is to the hamburger stand. Tearoom menus demonstrated that just about anything could be served on toast points with a white sauce. Creamed chicken on waffles was a tearoom standard. Patties of all kinds—shrimp, lobster, chicken—were also good sellers, as were salads.

Tearoom food, from baked items to mayonnaise and ketchup, was all prepared on the premises, usually by women cooks. Most tearooms made a specialty of one or two dishes, on which they tried to build their reputations. Many sold baked goods, preserves, and other items for take-away.

Dianna Diatz

A business for women

The tearoom suited women proprietors as much as it suited patrons. It was a promising type of small business for women because it gave them an outlet for their "womanly" arts and crafts, yet seemed to require little start-up capital. For women who ran rural roadside tearooms out of their own homes, it was—in the words of one—a way "to make the old home pay." Other proprietors claimed that the running of a small restaurant was

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Jan Whitaker is writing a book on the history of tearooms.

PULL OUT AND SAVE

1988 RESTAURANTS USA

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just like running the home dining room, but on a bigger scale. So notable was the presence of women restaurateurs in the 1920s that some industry analysts predicted women would soon dominate the business.

Women enjoyed decorating their tearooms. Every theme imaginable was used at one time or another. In New York's Greenwich Village before the First World War, the bohemian look was in. Floors were bare wood, walls showed the brickwork underneath, and peasant handicraft was strewn around casually. These shops were some of the first places where women smoked in public.

Other shops struck a more exotic note. A Cincinnati proprietor imported rare singing birds for her shop, The Little Bird Cage. The renowned New York City Tally-Ho was located in an undisguised horse stable, and each stall held a table. In many other shops the fireplace was the focal point. Usually these establishments were of the early American or "country" persuasion and displayed painted furniture, rag rugs, and plate rails with old plates and teapots.

Striking or unusual decorations were considered essential to the prosperity of city tearooms. Because these restaurants were often located on side streets or above ground level where rents were lower, they needed to attract the attention of new customers and to make an indelible impression on first-timers.

Tearoom names were another creative outlet. In fact, before the tearoom came upon the scene, most restaurants had no names but were called by their owner's name—Delmonico's, for example. Tearooms introduced names characteristic of the colonial era, such as Fife and Drum, The Spinning Wheel, and At the Sign of the Green Teapot; or animal names such as Ye Ragged Robin, The (you-name-the-color) Parrot, and The Sea Horse; and such whimsical names as The Dew Drop Inn, Bi-A-Cake, or The T Shop.

Tearooms take off

By the late 1920s, male restaurant operators professed readiness to learn from the women. Women operators had demonstrated that even picky, middle-class women could be made into faithful restaurant patrons. Tearooms helped eliminate the second-class stigma associated with dining out. By the late 1920s, women made up 60 percent of all restaurant patrons. The world of commerce was starting to realize that women made consumer decisions for the family, and the opening of tearooms verged on being a craze.

Tearoom success was based on a number of factors. Charm was highly marketable, it was true, but it didn't come cheaply. Small portions and menus loaded with relatively high-profit items aided tearoom proprietors in making a success of it. Most tearooms also had profitable sidelines, such as packaged desserts, relishes and other gift items. Often a teashop in a small town would act as a women's exchange, accepting handicrafts or antiques from local women on consignment. Others, in cities, rented rooms for receptions; many filled their rooms for afternoon tea by hosting bridge parties. And some roadside tearooms doubled as inns; they rented a few rooms to travelers.

High attrition rate

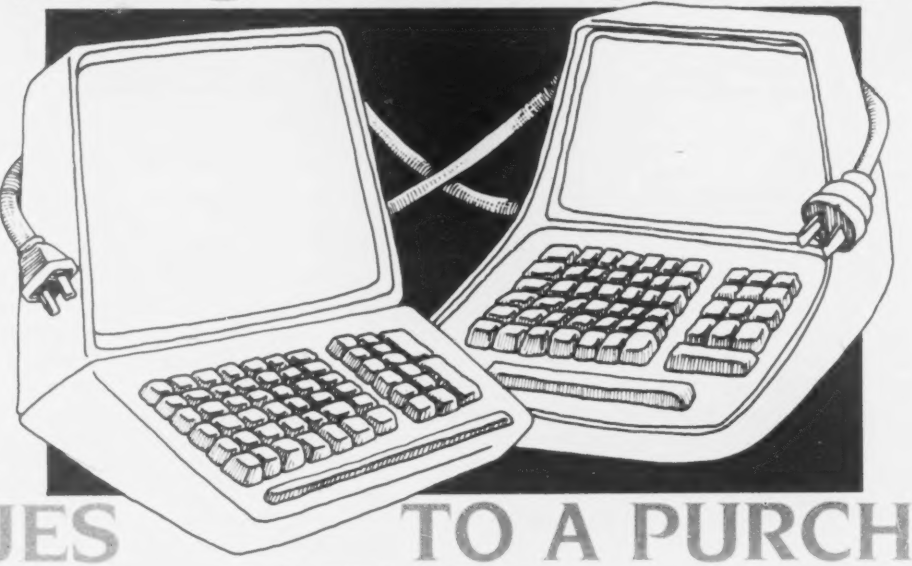
Despite the profit potential, tearooms suffered an unusually high death rate. The problem was that many operators were underexperienced and undercapitalized. Many women began their businesses without ever having worked in a restaurant and with only enough money for one month's rent and one payment on equipment. They erroneously believed they'd make enough by the second month to cover their bills and make a salary. As late as 1932, one correspondence course advised that as little as $1,000 might be enough to start a tearoom (two months' rent and two months' labor costs). Even in the Depression, these were low estimates.

As more and more women sought to get a sip of the tearoom market, bankers showed increased unwillingness to loan money to those planning to open tearooms. The trend moved away from the tearoom.

Tea for a few

Eventually the strictly feminine tearoom survived only in areas where there was a concentration of women patrons—mainly in urban shopping districts. Many innovations introduced by women tearoom proprietors, however, filtered into the mainstream of restaurant practice. Women have been credited with bettering the restaurant industry in four crucial areas: sanitation, decoration, cooking and atmosphere. ❑

COMPUTER CLONES



CLUES TO A PURCHASE

by William C. Schwartz

Two computers sit side by side on a display table at a computer store. They both look like typical desktop computers. The circuit boards in both machines are interchangeable. They have the same amount of memory, the same hard-disk capacity and the same processor chip. They operate at the same speed and can run all the same software.

But a look at the price tag shows an amazing difference. One is half the price of the other. "What gives?" asks the baffled customer. "You said they are essentially identical, inside and out, yet one is half as expensive as the other." Somewhat amused, the salesman says, "The one on the left is a clone."

According to Larry Shea, a sales manager for Computerland (the store, not the mythical place) in Phoenix, Arizona: "There are three categories of personal computers—IBM, compatibles and clones. IBM gets its own category, since it effectively sets the standards by which all the others are measured. Compatibles are computers that have recognizable brand names and are able to run software designed for the IBM systems. Examples of compatibles would be Compaq, Leading Edge, Commodore and Tandy. Clones are compatibles with obscure brand names like MIT or with no names at all. Many of the clones are made in Taiwan, Korea or the United States, and they are priced lower than the brand-name computers."

Clones got their name because initially they were identical, from an electronics standpoint, to the IBM PC line of computers. So identical, in fact, that the clone makers found themselves facing lawsuits based on patent and copyright infringement.

The clone manufacturers ran into legal problems primarily because one of the chips necessary to achieve compatibility contained software that managed the computer's input and output functions. The software on this chip, called the BIOS chip (BIOS stands for Basic Input and Output System) is protected by law, and was decoded and illegally copied by some clone manufacturers.

In order to avoid breaking the law, clone manufacturers were forced to develop BIOS chips that were different from the protected chips. Two companies (Award and Phoenix) became quite successful by developing compatible yet legal BIOS chips. Award and Phoenix BIOS chips can be found in many of the clone and compatible computers now on the market.

With the legal issues resolved, clone and compatible sales began to take off. The combination of lower prices and high software compatibility helped them acquire the lion's share of the personal-computer market. Many experts believe that the success of the clones and compatibles forced IBM to develop a new, more proprietary line of computers that could not be as easily copied. Hence the introduction of the IBM Personal System/2 (PS/2) line of personal computers. IBM saw the PS/2 line as a way to regain and hold substantial market share in what had become a highly competitive environment.

William Schwartz is the president of Systems Concepts, Inc., a national consulting firm in Scottsdale, Arizona, specializing in food cost management and providing consultation on software products. Schwartz teaches the food cost management seminar for the association's educational foundation.

So far, IBM's plan to freeze out the clones and compatibles has not succeeded. Due in part to the huge installed base of PC-type systems, and the typically higher prices charged for IBM equipment, sales of clones and compatibles have remained strong, while IBM's PS/2 sales have fallen far short of projections. Only time will tell whether IBM's strategy will pay off.

The purchase decision

To the first-time computer buyer, clones are just one more confusing bit of information to add to the already staggering pile of technical terms and selling points encountered on the journey into computer land (the mythical place, not the store). To the owner of a personal computer, clones may not be quite as confusing; but the purchase decision can still be difficult. Should it be a clone, a compatible or an IBM? Invariably, the decision rests on the five key factors of compatibility, performance, price, support and warranty.

Compatibility

Compatibility takes two forms in the personal computer world.

Hardware compatibility is the availability of circuit boards that will fit and work properly in the computer. Virtually all clones and compatibles have extra "slots" to plug into standard industry boards. Various types of boards produced by hundreds of manufacturers conform to industry standards and can be used in these computers.

One major exception is IBM's PS/2 line. These computers use boards that do not conform to industry standards, in hopes of creating new ones. Called MCA boards (MCA stands for micro channel architecture), they are quite a bit smaller than the PC-type boards on the market.

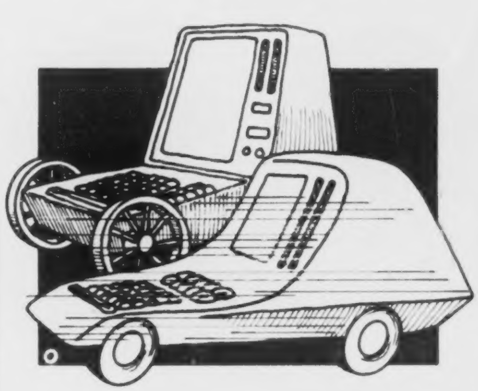
As a result, some of the IBM boards are no longer compatible with the clones. But this may change. Initially, MCA boards could be purchased only from IBM. Recently, however, other board manufacturers have entered the market with their own MCA-compatible boards. In fact, IBM gave Tandy Corporation (Radio Shack) the rights to produce a computer system based on the MCA approach. Tandy now markets a computer system (model 5000) that uses the same type of board as the newer IBMs. Experts predict that because IBM is having trouble establishing the MCA standard, IBM will continue to license others to produce MCA-type computers.

Software compatibility is the availability of software designed for IBM PC equipment to run on a clone or compatible. Since most software packages are designed to work with standard operating systems (MS-DOS or PC-DOS) and since most clones and compatibles run these operating systems, software compatibility is not a significant issue. In fact, 99 percent of the available software for IBM PCs will run on the clones. However, there are occasions when certain software, especially "utility" software can be dependent on the machine itself. The only ways to be sure that the software packages you want will be compatible are to test them on your computer, find references or buy an IBM product.

Since quite a bit of time will be spent with the computer, be sure to buy one that has a keyboard that feels good to you, a monitor that is crisp and easy to look at for extended periods, a processor that is fast enough to keep you from sitting around waiting for the computer to finish a task, and a disk drive that has enough room to allow you to add other types of software as your needs change.

Performance

Because clones and compatibles had to compete with the most-recognized brand name in the world (IBM), they needed more than just lower prices to sell effectively. As a result, many of the clones and compatibles boast better performance than the comparable IBM model. Performance differences can be found in processor, memory and disk-drive speeds, with clones generally matching or outperforming their IBM counterparts.



Price

This is the category where clones shine the brightest. Compatibles are somewhat more pricey than clones, and IBM equipment is generally the most expensive. By way of example, consider the following three computer systems. All have the same processor, 640K RAM memory, monochrome monitors and 20-megabyte hard disks. At Shea's store, the IBM PS/2 Model 25 can be bought for $1,795, while the EPSON Equity I (a compatible) sells for $1,295. The MIT clone system can be purchased via mail order for $995.

Not all compatibles are less expensive than IBM. Some high-end systems boast cutting-edge technologies, superfast processors and other features that cause their prices to be as high as or higher than IBM's comparable models.

Support

Support is perhaps the single largest drawback to a clone purchase. The low prices charged for clones provide dealers with lower profit margins, making them less likely to extend elaborate support services. It may be worth paying more for the convenience of having a local company provide on-site repairs or depot service.

Studies indicate that most clones are bought through the mail from mail-order organizations. One such organization, called Telemart, places full-page ads in computer trade publications. According to Al O'Dell, the wholesale division manager for Telemart, "We sell nearly 4,000 clone systems annually. The questions we hear most often deal with reliability and support. In Telemart's case, our distributors provide service nationwide for our customers, locally in many cases."

Not all mail-order houses can make this claim. In fact, Computerland's Shea cautions that "Mail-order houses often have people on the other end of the phone whose job it is to simply take orders. They may or may not know anything about computers or the customer's needs."

Because the level of support required often depends on the customer's level of knowledge, it makes sense for computer purchasers to become educated before they buy a clone. "They should go to their local computer store and ask lots of questions. Then, when they feel comfortable with their level of knowledge, they can come to us and save money," says O'Dell.

You might start by purchasing a computer industry magazine like *Byte, PC Week, Personal Computing* or any of the many publications focusing on the PC market. In addition to informative articles, you'll find advertisements from many of the larger mail-order houses. Computer manufacturers also advertise heavily in these publications, and provide helpful—if somewhat biased—information about their equipment. Frequently, you can find articles that compare price, performance and other key concerns for a variety of different computers.

After reading up on the subject, it wouldn't hurt to visit a local computer store and ask for advice and further information. Be sure that you have selected the software you want to use before deciding on the computer. Let the salesperson know what software you plan to use. Many computer salespeople are familiar with the more popular software packages on the market, and can steer you in the right direction.

Warranty

The warranty factor is somewhat of a drawback for most clones. While name-brand manufacturers (IBM and most compatibles) typically provide one-year warranties, clone makers usually provide warranty periods of only 90 days. Additionally, the computer must usually be sent back to the manufacturer for warranty repairs. The shipping alone can be a costly factor—not to mention the time without the computer. Of course, there are clones that have great warranties—in some cases up to two years with on-site service available—but they can be harder to find.

Although the warranty question may sound alarming, because of the close compatibility of clones and compatibles with name-brand systems, on the inside these systems all look alike. Therefore, it is easy to locate parts and service for clones in most metropolitan areas, since the parts are highly interchangeable and the knowledge required to service these systems is the same as that required to service any other like computer. Some local repair organizations even offer maintenance contracts for clones.

These services do not come free of charge, however; but the lower purchase price of the clone may offset the cost of service. It is also important to recognize that personal computers are not easily broken. With the possible exception of power problems or mistreatment, most computers operate for many years without any need for service.

Coming to the right decision

People who buy clones or compatibles typically do so to save money. It goes without saying that purchasing a clone will be initially less expensive than purchasing a name-brand system. But one must remember to balance all the factors. Focusing strictly on price can be a costly mistake, especially for first-time buyers.

Finally, since quite a bit of time will be spent with the computer, be sure to buy one that has a keyboard that feels good to you, a monitor that is crisp and easy to look at for extended periods, a processor that is fast enough to keep you from sitting around waiting for the computer to finish a task, and a disk drive that has enough room to allow you to add other types of software as your needs change. ❑

Pay Phones

Phone
Phone

[illegible] Wendy's, our public phones at-tract the kind of people we like to see: people who travel in buses, station wagons and company cars. The convenience of public phones actually brings people in," says Steve Meyer, division vice president of company operations for Wendy's.

"I have customers who come into my place every day," says Gus Panyoutou, owner of Pat's Diner in Trenton, New Jersey. "They expect good food, good service and a warm goodbye when they leave. They also expect pay phones to work when they want to use them."

Some of the most powerful people in Pennsylvania eat at the Red Lion Diner in Philadelphia. Who are they? Customers. To a restaurant owner, no one is more important. "It's more than my scrambled eggs and jumbo shrimp that brings people back," explains co-owner Andy Hagis. "It's good, fast service, too—including a public phone that works when they need it."

About nine out of 10 business owners say the primary reason they have public telephones is to satisfy customer needs. And whoever the pay-phone provider may be, the customers usually have the same list of wants—convenience, dependability and a full range of services.

by Harriet S. Meyers

Harriet Meyers is a freelance writer and public relations consultant in Columbia, Maryland.

A growing market

In 1984, the Federal Communications Commission (FCC) opened up the pay-phone industry to competition. Today there are several hundred firms competing for the 2.1 million public telephones now in use, and revenues from public telephones are increasing by about 9 percent each year, according to Bell Communications Research, owned jointly by the regional Bell operating companies. That's a multibillion-dollar industry, which until deregulation was dominated by the local Bell companies.

Today there are many competitors, and restaurant owners have to choose what kind of pay phone to have on their premises. That's no simple decision. During the last four years, the private-pay-phone industry has grown by leaps and bounds. According to *Telephone Engineer and Management* magazine, there are about 80 pay

Still more choice

Judge Harold Greene of the Federal District Court, who is reponsible for administering the breakup of the old Bell System, recently issued an order that will affect all Bell pay telephones in the United States.

He ordered the regional Bell operating companies to offer public telephone-premises owners the opportunity to select the company that will carry long-distance calls paid for by methods other than cash. Comprising the vast majority of long-distance business from pay phones, these would include collect, third-party and credit-card calls. Ballots were mailed in January 1989.

The ballot indicates by what date you must respond if you wish to register a choice. If you do not make a selection, you will be allocated to a carrier selected at random.

phone manufacturers and 70 manufacturers of related parts and enclosures. Other companies offer services such as coin collection and repair. And all these companies tend to go after the high-profit, high-local-call volume pay phones found in locations such as restaurants.

Local telephone companies are required to provide pay-telephone vendors with access to the interstate network. Private-pay-phone vendors must also meet certain requirements, such as providing access to 411 directory assistance and 911 emergency service. But after these basic services, there are variations in such areas as installation, maintenance, reliability, performance and appearance of the phones, as well as responsiveness to customer concerns.

Five questions to ask before signing a contract

1. Do you understand all the terms of the contract? Some contracts are irrevocable; others may allow the vendor to cancel your service at any time.

2. Do you understand the fine print about commission rates and hidden charges? Some commissions are not paid on all billable calls.

3. What types of calls will be charged to your customers? Your customers may be charged for some calls that are not completed.

4. What are your future plans? If you remodel and must relocate the phones, you may be charged for the relocation.

5. How long has the public-telephone company been in business? Running a well-performing pay-phone business is complicated and requires experience.

Some companies, such as Bell Atlantic Public Communications, offer all aspects of services. "We install phones. We fix them. We collect the coins. We offer first-rate operator services. We handle billing to the long-distance carriers. And every month we send our agents a commission check," says director Joe O'Hara. Not all companies provide comprehensive service, however; and not all costs are the same. Often the hardest decision is to weigh commissions against service.

"I decided to try one pay-phone vendor because he promised high commissions and good service," recalls Panyoutou. "Well, the telephones didn't work, my customers complained that they were hard to use and my commissions were not what I expected. And of course you don't make any commissions if your phones aren't working. So I switched back to Bell Atlantic."

Questions to consider

Some of these types of headaches can be avoided, if the right questions are asked from the start. Here are some to consider:

☐ How long has the pay-phone company been in business?

☐ What is its track record? Ask for references.

☐ Who is the equipment manufacturer and what is its track record?

☐ What will happen to your service if the equipment vendor goes out of business?

☐ What types of calls are permitted?

☐ What types of billing arrangements are permitted?

☐ What are the differences between services you have now and those offered by the vendor you are considering?

☐ Who will be reponsible for obtaining equipment enclosures and providing electrical power?

☐ In case of malfunction, who will repair the telephone and what is the procedure for repair?

☐ Who will pay for repair visits?

☐ If the phone cannot be repaired, who is responsible for replacement?

☐ What effect will equipment failure have on commissions?

☐ What is the projected commission schedule based on, and is a commission earned on all types of calling?

☐ What is the method used to estimate commission payments in the proposal for service?

☐ Is the commission earned on total revenue generated by the phones or on net revenues after certain expenses have been deducted?

☐ What type of service arrangements are offered?

In sum

Only after you have considered the various aspects of service and commissions—and have checked on references—should you choose a pay-phone vendor. You have too much on the line to make a mistake—your customers' satisfaction. ❑

Types of public telephones

There are three categories of pay phones available today.

1. Phones provided by local Bell telephone companies. These phones provide access to all types of calling (local and long distance). Payment options include collect, calling-card and third-party-number billing.

2. Phones provided by private-pay-phone vendors. These vendors rent access lines from the local Bell company in order to provide service. Both local and long-distance calling are possible, but access to all long-distance carriers may not always be possible.

3. Phones provided by long-distance carriers. These phones are usually restricted to long-distance calling and only on the network of the company providing the phone. They accept only credit cards, not cash.

#96

Code words

In personal evaluations, ratings, letters of recommendation and other documents in which one person is asked to describe the characteristics, qualities and traits of another, there is often a tendency to use euphemisms that wind up providing an unreal portrait of the person being evaluated. When you've read enough such descriptions, you can begin to decipher the true meaning of what is being said. Here are some descriptive words that appear frequently, with the meaning I ascribe to them (in parentheses). The male pronoun is used merely for ease of expression.

1. He's quiet; (he's morose)
2. He's self-assured; (he has a constipated ego)
3. He's respectful; (he thinks he knows how to impress people)
4. He's loquacious; (he never shuts up)
5. He's a risk-taker; (he acts before he thinks)
6. He's generous; (he'll pay the little tabs but lets others pick up the big tabs)
7. He's laid-back; (they don't come any lazier)
8. He's kind; (he's a soft touch)
9. He's adaptable; (he doesn't have any backbone)
10. He's patient; (he's a schemer)
11. He's eager; (he wades in where angels fear to tread)
12. He's organized; (he's overly structured)
13. He's diplomatic; (he's two-faced)
14. He's neighborly; (he never returns what he borrows)
15. He's charming; (hold onto your wallet)
16. He's attractive; (he's stuck on himself)
17. He's concerned about others; (for his own benefit)
18. He's cheerful; (he's unrealistic)
19. He's expressive; (he gestures wildly)
20. He possesses self-control; (he's uptight)
21. He's popular; (he knows the latest jokes)
22. He's good-natured; (he's single)
23. He's optimistic; (he doesn't recognize facts)
24. He's deliberate; (he's painfully slow)
25. He's obedient; (he doesn't have a mind of his own)
26. He's humble; (he plays that role to the hilt)
27. He's inspiring; (he makes others perspire)
28. He's cautious; (he's a clone of Casper Milquetoast)
29. He's a good listener; (he's always thinking of what he's going to say next)
30. He's trustworthy; (he's naive)
31. He has character; (he is a character)
32. He's a conformist; (he doesn't do anything)
33. He's tenacious; (he's an overbearing nuisance)
34. He's a good mixer; (he's married)
35. He's independent; (he's not politically astute)
36. He's receptive to new ideas; (he doesn't have any of his own)
37. He's a people-oriented person; (he doesn't know numbers)
38. He's a numbers-oriented person; (he has no personality)
39. He's competitive; (he doesn't play by the rules)
40. He's considerate; (he tries to be all things to all people)
41. He's assertive; (he's abrasively inflexible)
42. He's logical; (he can find a million reasons not to do something)
43. He's resourceful; (secure your valuables)
44. He's even-tempered; (he's a slow study)
45. He commands respect; (he's a martinet)
46. He's involved; (he's nosy)
47. He's reliable; (he goes with the flow)
48. He's a good communicator; (he talks a lot)
49. He's very persuasive; (he really talks a lot)
50. He's very direct; (he tells it like he wants it to be)
51. He's self-disciplined; (he never comes in early or stays late)
52. He is intellectually curious; (he thinks he knows it all)
53. He's goal-oriented; (he can't see the trees for the forest)
54. He follows policies and procedures; (he can't see the forest for the trees)
55. He lends stability to the group; (he's a dragging anchor)
56. He writes well; (and often!)
57. He'll go the extra mile; (he likes to travel)
58. He gets along well with others; (they tolerate him)
59. He looks for added responsibility; (he's never in his office)
60. He is exceptionally active; (he doesn't return phone calls)

Fisher's Law #96: Take written descriptions of others with a grain of pepper.

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Dinner decisions

How do consumers make the decision to eat dinner out? Who influences this decision? Why is a particular restaurant chosen? Answers to these and many other questions are contained in a new National Restaurant Association study: Dinner Decision Making: A Consumer Attitude Survey. *The study, a national mail survey of almost 1,400 individuals conducted in 1988, identifies consumer attitudes and behaviors regarding the decision to purchase freshly prepared food for dinner from a variety of sources.*

Successful restaurateurs are continually trying to learn more about their customers—not only to define who they are, but also why they have chosen to eat at restaurants. Consequently, the National Restaurant Association decided to research how consumers decide to eat dinner out and what motivates them to select a certain type of restaurant.

In fall 1987 the association conducted a series of focus group meetings to gain a preliminary descriptive view of the dinner decisionmaking process. This information was then used to develop a detailed mail questionnaire, which contained a series of attitudinal statements that probed how consumers felt at the time the actual decision to dine out was made. In addition, respondents were asked to indicate which restaurant factors, such as speed of service and fresh ingredients, affected the decision.

Consumers who most often ordered dinner carryout were single individuals and those under the age of 30.

Five major decision scenarios revealed

The survey results revealed dramatic new information. Using a decision segmentation approach developed by

Restaurant implications of the dinner decision-making study

Dinner Decision Making: A Consumer Attitude Study shows that the purchase of prepared food for dinner now accounts for about three in every 10 dinners. Tableservice and fast food restaurants are the primary sources for these dinners, but in the coming years more retail outlets will likely serve the growing demand for freshly prepared food.

Differences between "a fun time" and "a nice meal out"

For tableservice restaurant operators it is especially important to be aware of the differences in consumer needs and behaviors between the scenarios of "a fun time" and "a nice meal out."

When people make the decision for *a fun time*, the dinner is an "event," something that is planned or anticipated. The occasion is out of the ordinary and can be a celebration or a reward or a treat. When people make the decision for *a nice meal out*, on the other hand, they have decided to go out to eat, to go out for a meal. They don't consider it an out-of-the-ordinary "event."

So the anticipated pleasures are somewhat different, and so will be the choice of restaurant.

Restaurant operations wanting to attract "fun time" customers might

☐ choose a decor theme or decorative touches that are worth talking about

☐ develop attentive service that recognizes that this is a *special time* for the guests

☐ offer food with a lot of eye appeal and choices that are easily shared

☐ offer some type of tableside preparation or at-the-table cooking

☐ include some unusual dishes or unusual ingredients that will give the more experimentally inclined guest an added source of fun and

☐ consider live music.

When the customer decides on "a nice meal out," the focus of attention is more directly on the food and how it is served, much less on the total event. As a result, guests will be interested in the "completeness of the meal" and in nutritious food offerings. For some customers, a "complete meal" means "things included with their entree," such as a soup or salad, bread, a beverage and, ideally, dessert.

Since people have very different appetites, some all-you-can-eat choice, like a salad bar, a food bar, a vegetable bar or a dessert bar, is particularly important to people who have come for a nice meal out.

Service is expected to be friendly, efficient and continuous. "Nice meal out" customers hate the feeling of being forgotten and will feel this much sooner than guests who come to a restaurant for a fun time.

From a marketing perspective, there is another important distinction between customers who come for a fun time and those who come for a nice meal out: People will travel farther for a fun time than for a nice meal out.

People who go out for "a nice meal out" tend to go to places that are more familiar to them. They will be relatively more price-conscious, too, because the occasion is not necessarily an out-of-the-ordinary event.

Implications of the "craving" scenario

It is, of course, commonly known that "being in the mood for" or having a taste for a certain kind of food can be a strong reason for deciding to eat out or buy prepared food. The important finding in this study is that a craving can be responded to in so many different ways—by going to a sit-down restaurant, by getting carryout, by getting delivery and even by buying

Decision scenarios for the seven types of dinner occasions

Expensive tableservice restaurants are most popular with consumers seeking "a fun time"

	Dinner was at				Dinner came from		
	Tableservice restaurant ($10+)* (681)**	**Tableservice restaurant (Under $10)*** (843)**	**Self-service cafeteria/buffet** (342)**	**Fast-food restaurant** (672)**	**Carryout from restaurant** (729)**	**Delivered** (250)**	**Supermarket/deli** (320)**
Decision scenario							
A fun time	61%	25%	20%	5%	2%	2%	2%
A nice meal out	23	37	40	24	14	6	19
A craving	3	10	11	10	32	38	35
Making sure everyone is getting something to eat	10	15	11	19	19	31	16
Easiest thing available	3	13	18	42	32	23	28

*per-person check size

**Sample size

Source: National Restaurant Association, *Dinner Decision Making: A Consumer Attitude Survey*, 1989

Creative Research Associates, Inc.,* five distinct consumer decision scenarios were revealed. These decision scenarios provide restaurant operators with new data that will help them gain a better understanding of why patrons come to their establishments and what can be done to provide them with the dining experiences they

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**In order to classify the respondents to this survey into the five groups, multivariate analysis was performed. This analysis involved looking at responses to the attitudinal questions as well as restaurant attributes.*

prepared food in the grocery store.

Because a craving can be aroused by a visual display, an aroma or by a suggestion (as in advertising), foodservice operators who have "cravable" menu items, such as pizza, ribs, chicken, ethnic foods, spicy foods and delicious desserts, should try to get their "taste" message out as strongly as possible, with signage, billboards, cooking aromas, visual displays and customer sampling, and develop more ways to bring the taste to the customer. Carryout, delivery and/or par-baked products that can be microwaved at home are some options.

The implications of "making sure everyone is getting something to eat"

This dinner-decision scenario clearly shows that an important reason why people purchase foods for dinner is because they are unable to prepare and eat dinner at home. Typically, this situation occurs in homes with fragmented schedules or people on the run between daytime and evening activities.

When people are in this decision mode, they don't think of getting a complete meal but, rather, in terms of getting "something" to eat. For example, they'll say that it isn't worth it to get a complete meal, because they don't have the time to enjoy it. As a result, they opt for dinner at a fast food restaurant or choose carryout or delivery.

Also, convenience and speed of service become crucial factors, because much of this type of dinner eating is done in a short time.

Families with young and school-age children often find themselves in this dinner-decision mode. Study findings suggest that these parents will want to please their children when eating dinner because the shortage of time may already be causing some tension. In other words, the parent may be compromising his or her usual standards (in terms of nutrition and "balance") to make sure the child will at least get something to eat.

To appeal to the needs of this dinner customer, foodservice operators should emphasize

☐ familiar fare—because on a night described by this decision scenario, people are typically not in the mood to experiment

☐ fast service or, alternatively, self-service, such as a food bar

☐ carryout service, including utensils and packaging that allows people to easily eat away from home

☐ flexible quantities, larger as well as smaller servings

☐ low prices—coupons are used a lot for this type of eating—and

☐ promotion programs aimed at children.

Implications of "easiest thing available"

When the decision about what to have for dinner and where to get it boils down to "the easiest thing available," people tend to be tired and pressed for time. Not surprisingly, the "convenience" of the outlet chosen is rated most important. In this situation, people will not go out of their way. They will opt for something speedy, predictable and reliable, and something not too expensive—since the luxury is in the convenience, not the food itself. People often will buy prepared food for dinner in this situation when they are out of food at home and don't have the energy or the time to go grocery shopping.

The key to accommodating this customer is *making things as simple as possible* and making the purchase "hassle-free," such as

☐ short—or no—lines

☐ quickly moving lines

☐ a simple, easy-to-understand menu ("no fine print") and

☐ servers who speak clearly and understand the customer easily.

Christiaan de Brauw, senior vice president, Creative Research Associates, Inc., Chicago

Demographics of the various dinner occasions, 1988*

Dinner at a tableservice restaurant where the per-person check exceeds $10 is most popular with individuals between the ages of 40 and 59

	Dinner was at				Dinner came from			
	Tableservice restaurant ($10+)**	**Tableservice restaurant (Under $10)****	**Self-service cafeteria/ buffet**	**Fast food restaurant**	**Carry-out from restaurant**	**Restaurant delivered**	**Supermarket/ deli**	**Had no dinner at all**
Percent of all dinners	**4.8%**	**7.6%**	**2.3%**	**5.9%**	**6.2%**	**1.6%**	**2.8%**	**4.2%**
Sex								
Men	110	100	100	102	99	112	93	90
Women	92	101	104	98	101	94	104	110
Age								
Under 30	86	89	83	129	160	181	114	131
30 to 39	86	89	78	129	118	138	107	112
40 to 49	119	95	91	93	113	125	100	107
50 to 59	127	112	109	68	68	50	93	100
60 and over	94	116	139	80	56	44	82	64
Marital status								
Single	167	99	83	97	152	150	200	164
Married	97	99	96	100	90	94	75	86
Widowed/divorced	96	109	139	102	116	112	146	131
Income								
Under $10,000	60	86	117	100	105	116	116	76
$10,000 to $19,999	60	99	122	98	87	92	86	86
$20,000 to $29,999	71	93	117	107	95	138	75	140
$30,000 to $44,999	123	112	78	107	105	119	100	86
$45,000 or more	156	105	83	90	105	94	89	107

**Average use=100*

***per-person check size*

Source: National Restaurant Association, *Dinner Decision Making: A Consumer Attitude Survey*, 1989

seek. Highlights of these five basic dinner decision scenarios follow.

□ **A fun time.** This decision scenario involves consumers who are in upbeat moods and have a sense of anticipation or fun. The decision on where dinner will take place is often made well in advance—earlier than for any other decision scenario. In this scenario, consumers feel they deserve a treat or reward, and the price range of the place chosen is not overly important. Tableservice restaurants with per-person check sizes of $10 or more are particularly favored.

□ **A nice meal out.** Although consumers under this decision scenario do not expect as much fun in their dining experience, they do want the satisfaction and pleasure of eating out. Individuals looking for a nice meal out place high value on all the restaurant basics, such as consistent food quality, good variety and portions, friendly service and value for the money. Unlike the "fun time" scenario, individuals looking for a nice meal out tend to make their decision somewhat more impulsively. This decision scenario is prominent for tableservice restaurants with per-person check sizes under $10 and for self-service cafeterias and buffets.

□ **A craving.** This is an impulsive decision scenario where even smelling or seeing a specific type of food can act as a trigger. Consumers here are more concerned about the freshness of the food and ingredients, and pricing is a consideration. This decision scenario is key in home delivery of restaurant food and is also a factor in carryout and the buying of prepared food at supermarkets and delicatessens.

□ **Making sure everyone is getting something to eat.** Reflecting the hectic pace and complex schedules of family life, this decision scenario involves consumers seeking convenience while dealing with a variety of circumstances, such as the demands of children and a shortage of time. Of particular interest is that this type of decision-making seems to be made to indulge others, such as pleasing a child or spouse. In addition, coupons are important, because consumers realize that convenience can be costly. The "making sure" decision scenario is key for moderately priced tableservice restaurants and plays an important role in fast food, delivery and take-out options.

□ **Easiest thing available.** For individuals tired and pressed for time, restaurant location, convenience and speed of service are important elements in this decision scenario. These consumers want the least hassle and make an impulsive choice, with coupons again playing a role. Carryout dinners and fast food restaurants figure prominently in this decision scenario.

Other study highlights

An analysis of the information obtained from the association study also points out demographic information for each of the seven dinner experiences involving the purchase of freshly prepared food for dinner.

□ **Tableservice restaurant (with per-person check of $10 or more).** More than half of adults reported having had dinner in this type of establishment within the 30 days prior to the survey. Individuals were most often between the

The decision scenarios that applied most often to tableservice restaurants were "a fun time" and "a nice meal out."

ages of 40 and 59, had household incomes of more than $30,000 and were single. Men were more likely than women to dine in this type of restaurant. Almost half of the survey respondents reported making the decision a day or more in advance, and the dining occasion occurred relatively frequently on Saturdays. On average, the total time spent at the restaurant was 82 minutes. The decision scenarios that applied most often were "a fun time" and "a nice meal out."

☐ **Tableservice restaurant (with per-person check less than $10).** Sixty-five percent of all adults reported they had dinner in this type of restaurant within the month prior to the survey. Consumers were most often 50 years of age or older and had a yearly household income between $30,000 and $45,000. The total average time spent at the restaurant was 59 minutes, with the occasion occuring relatively frequently on Fridays. The decision scenarios that applied most often were the same as for higher-check tableservice restaurants: "a nice meal out" and "a fun time." However, the decision to eat these dinners tended to be made shortly before the dining experience; more than 60 percent of the respondents reported making the decision two hours or less before the event.

☐ **Self-service cafeteria or buffet.** Just over one in four adults reported having dinner at a self-service cafeteria or buffet in the 30 days prior to the survey. This occasion occurred relatively frequently on Sundays and tended to be favored by consumers who were 60 years of age or older, widowed or divorced, and retired/not employed. Decisions for these dinners tended to be either spontaneous or well-planned. Four out of 10 made the decision less than one hour before dining, and one out of five planned a day or more in advance.

☐ **Fast food restaurant (dinner eaten on the premises).** The decisions for these dinner occasions tended to be made very spontaneously—69 percent of adults reported making the decision less than one hour before the meal. This occasion occurred relatively frequently on Tuesdays through Thursdays and among individuals aged 39 or younger. "Easiest thing available" and "making sure everyone is getting something to eat" are the two decision scenarios that applied most often.

☐ **Carryout from tableservice or fast food restaurant.** Consumers who most often ordered dinner carryout were single individuals and those under the age of 30. Eight out of 10 respondents ate the food at home, and this occasion occurred evenly throughout the week. As with fast food consumed on the premises, the decision for carryout was made without much planning. Almost eight out of every 10 diners in this situation made the decision two hours or less in advance. The decision scenarios that applied most often were "a craving" and "easiest thing available."

☐ **Delivery.** This occasion occurred relatively frequently on Fridays after 6 p.m. Nine out of 10 adults reported receiving the delivered food at home, and eight out of 10 reported using pizza restaurants for delivery. Twenty-two percent of all adults indicated that they had had dinner in this manner the month prior to the survey. As with carryout, the decision to use delivery for dinner was made spontaneously. Two-thirds of the respondents reported making up their minds less than one hour before the occasion. The use of delivery at dinner was most popular with those under the age of 30, singles, households with children and individuals with yearly household incomes between $20,000 and $29,999. The decision scenarios that applied most often were "a craving" and "making sure everyone is getting something to eat."

☐ **Carryout from supermarket, convenience store or deli.** Popular with consumers under the age of 30, singles and widowed/divorced individuals, these occasions occurred most frequently on Mondays and Thursdays between the hours of 4 and 5 p.m. More than 25 percent of adults reported dining in this manner in the 30 days prior to the survey. The decision for these types of dinners did not involve much planning; the decision scenarios "a craving" and "easiest thing available" applied most often.

☐ **Did not have dinner.** The association dinner-decision study also lends some insight into who skipped dinner. Women were more likely to go without the evening meal than were men, and singles tended to skip more than married individuals. Also, the older the individual, the less likely he or she was to skip dinner. Consumers under the age of 30 were the most likely to go without dinner; those 60 years of age and older were the least likely to miss the evening meal.

—Hudson Riehle

To order the dinner-decision study

Copies of *Dinner Decision Making: A Consumer Attitude Survey* (CS 450) are available to association members for $25 and to nonmembers for $50. All orders must be prepaid.

You may order by sending a check or money order to the National Restaurant Association Publications Department, 1200 17th St., N.W., Washington DC 20036.

Note: Washington DC residents must add 6 percent sales tax to their order. Illinois residents must add 7 percent, and residents of Chicago must add an extra 1 percent, making their total sales tax 8 percent. Please also include a 10 percent shipping and handling fee.

Credit-card orders are also accepted. Call the association's information service and library between 9:00 a.m. and 5:00 p.m. (Eastern Standard Time) at 1-800-424-5156 or (202) 331-5960 in Washington DC.

Poultry update

Poultry consumption in the United States has increased consistently since 1950. With 1989 per-capita consumption projected to exceed 84 pounds, poultry will account for almost 39 percent of all meat (both red and white) eaten in the United States, up from 29 percent in 1980. Poultry has been growing in supply as well as demand, and has a noticeable price advantage over red meats. Total poultry orders at foodservice establishments have been on the rise as well, especially orders of baked/broiled/grilled chicken.

In 1928, a Herbert Hoover campaign flyer promised U.S. citizens "a chicken in every pot." At the rate at which poultry consumption has been growing in the United States, that promise may not be far from reality. From 1950 to 1988, per-capita consumption of poultry on a retail-weight basis more than tripled from 24.7 pounds to 81.8 pounds. The United States Department of Agriculture (USDA) projects consumption of poultry to reach 84.3 pounds per person in 1989.

The 80s—poultry years

In 1987, per-capita consumption of poultry surpassed beef consumption for the first time in the United States, and, for 1989, USDA has projected that chicken consumption alone will be higher than consumption of either beef or pork. Beef consumption for 1989 is projected to fall to 66.6 pounds per person, down 12.8 percent from 76.4 pounds in 1980. Pork consumption is estimated to decline to 62.8 pounds per person in 1989, a 7.6 percent drop since 1980.

The growth in total poultry consumption has been fueled by strong demand for both chicken and turkey. Chicken consumption is forecast to increase to 67.7 pounds per person, a climb of 36.2 percent since 1980. Turkey has seen an even more dramatic increase in popularity. USDA estimates that in 1989 each person will gobble up 16.6 pounds of turkey, up a hefty 58.1 percent from 10.5 pounds in 1980. The National Broiler Council (NBC) estimates that growth in both chicken and turkey consumption will continue well into the 1990s.

Poultry orders at restaurants change

Restaurant orders reflect the change in customer tastes as poultry-based menu items have continued to grow in popularity. According to CREST,* total poultry orders grew by 4.4 percent between 1984 and 1987. Over the first three quarters of 1988, poultry orders climbed 8 percent compared with the first three quarters of 1987.

Wholesale poultry part prices*

Boneless chicken breasts are the most expensive cuts

Part	**1985**	**1986**	**1987**	**Sept. 1988**
Boneless breast	$1.93	$2.30	$1.99	$2.57
Breast w/ribs	1.01	1.12	0.88	1.20
Wings	0.38	0.46	0.44	0.55
Whole legs	0.47	0.47	0.39	0.51
Whole broilers	0.51	0.57	0.47	0.63

**price per pound in dollars*

Source: U.S. Dept. of Agriculture

Restaurant patrons have changed their preferences for how poultry is prepared. Between 1984 and 1987, fried-chicken orders declined 5.4 percent—and by even larger margins in specific restaurant categories. Midscale restaurants showed the largest drop in fried-chicken orders; orders fell 20.1 percent from 1984 to 1987. In the first three quarters of 1988, fried-chicken orders dropped by 5.1 percent overall when compared with the first three quarters of 1987. The

More chicken on menus

Of the menus analyzed in the National Restaurant Association 1988 Menu Study,* more chicken dishes appeared in all menu categories except soup. Chicken appetizers grew from 4 percent in 1982 to 6 percent in 1988, and chicken entrees grew from 9 to 11 percent, respectively. The greatest gains, however, were seen in entree salad and sandwich categories, where chicken dishes gained 6 percentage points—from 15 percent in 1982 to 21 percent in 1988 for entree salads and from 3 to 9 percent for sandwiches.

Fried-chicken dishes declined in availability as entrees and sandwiches but increased slightly in appetizers. Fried-chicken accounted for 28 percent of chicken entrees on the 1982 menus but only 21 percent on the 1988 menus. Fried-chicken sandwiches plummeted—from 47 percent of chicken sandwiches in 1982 to 9 percent in 1988. Fried-chicken appetizers (fillets and fingers), however, grew slightly—from 42 percent of the chicken entrees in 1982 to 44 percent in 1988.

Chicken dishes did not escape the growing ethnic influence prevalent on the 1988 menus. Chicken sate and blackened chicken fingers were among the appetizers; Mediterranean, Asian and Szechuan chicken appeared in salads; entrees included a chicken gumbo and etouffe, as well as more stir-fried chicken and vegetable entrees.

**One hundred lunch and dinner menus were randomly selected from those submitted to the National Restaurant Association's Great Menu Contest for analysis. Fifty were chosen from the 1982 entrants and 50 from 1988.*

**CREST stands for Consumer Reports on Eating Share Trends, a diary survey conducted by the NPD group.*

Percent change in total number of restaurant chicken orders

Chicken entrees continue to grow in popularity

	1985-1986	1986-1987	1987-1988*
All entrees**	4	1	8
Fried entrees	-3	2	-7
Sandwiches	3	32	19

*comparison of first 3 quarters of 1987 and 1988
**includes baked/broiled/grilled, barbecued, boneless and fried chicken entrees, plus other poultry entrees such as turkey

Source: NPD/CREST Annual Household Surveys

largest decline was again at midscale establishments, where fried-chicken orders were down 10.0 percent.

Orders of fried boneless bits of chicken breast, however, appear to have regained popularity. In comparison with the first three quarters of 1987, orders of boneless bits, which encompass fried nuggets and strips, posted a 56 percent gain in the first three quarters of 1988.

Although most fried-chicken orders have waned in popularity across all industry segments, baked/broiled/grilled chicken orders have increased in all restaurant categories, as have chicken sandwich orders.

Production up, too

According to the NBC, the demand for poultry has been growing at an annual rate of between 4 and 5 percent. Poultry producers have answered that demand by increasing production. In 1987, total poultry production increased 10 percent to 19.7 billion pounds. Of that total, broiler production advanced 9 percent to 15.5 billion pounds, and turkey production leapt a hearty 19 percent to 3.7 billion pounds. In 1988, total poultry production advanced 4 percent to 20.6 billion pounds, and in 1989, NBC projects another 4 percent gain.

In contrast, USDA estimates beef production declined 3 percent in 1987, remained stable in 1988 and will fall between 6 and 8 percent in 1989 to 21.7 billion pounds. The picture for pork is somewhat brighter; pork production increased 2 percent to 14.3 billion pounds in 1987, jumped 9 percent to 15.6 billion pounds in 1988 and is anticipated to grow 2 to 3 percent in 1989.

Price advantage

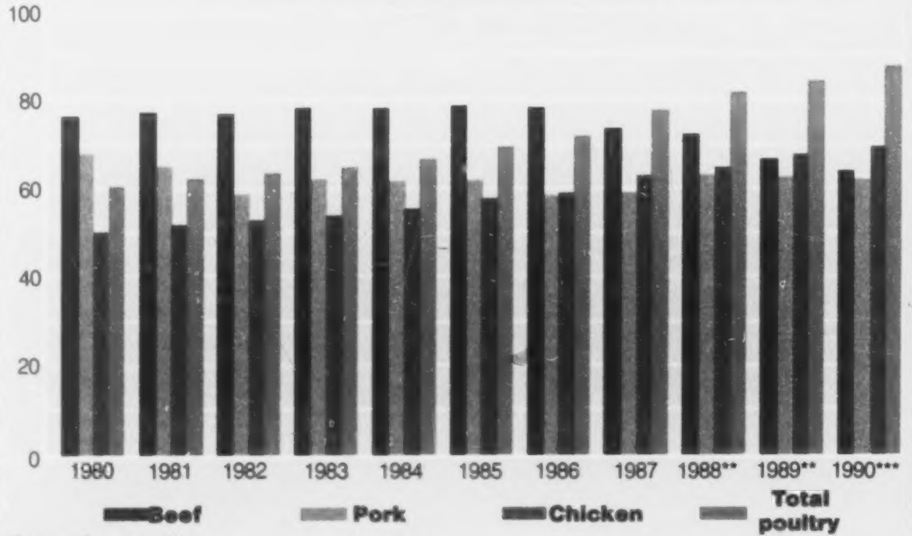
Despite the popular demand, poultry prices are still considerably lower than those for red meat. Wholesale broiler prices were 47.4 cents per pound in 1987, compared with 99.4 cents per pound for beef and $1.06 per pound of pork. NBC estimates that due to the drought wholesale broiler prices climbed to roughly 57 cents per pound in 1988, but it expects them to drop to 55 cents per pound in 1989.

Retail poultry prices also enjoy a considerable price advantage over pork and beef. In 1987, retail-broiler prices were 78.5 cents per pound, while retail-beef prices were three times higher at $2.43 per pound. pork prices more than two times higher at $1.88 per pound.

—Nancy Michalski

U.S. meat consumption*

Chicken consumption has overtaken that of beef and pork



*in pounds per capita
**Estimated by USDA ***Projected by the National Broiler Council

Source: National Broiler Council, USDA

All parts not created equal

One restaurant promotion spoofed that "parts is parts" as far as chicken is concerned. But prices tell a different story. USDA statistics show that in September 1988 skinless, boneless chicken breast was the most expensive cut of poultry; wholesale prices were roughly twice as expensive as breast meat with the ribs. Furthermore, in September 1988 boneless breast of chicken was more than four times as costly as both wings and whole broilers, and more than five times higher than whole legs.

Although dark meat prices may be supported in part by exports to Far Eastern countries where it is preferred over white meat, more development of dark meat products and increased marketing efforts will be necessary to make dark meat more popular with U.S. consumers.

Recent upsurge in dessert orders

There has been a resurgence in the popularity of desserts in the nation's restaurants. Dessert orders climbed steadily in 1987 and continued to pick up momentum through the first three quarters of 1988. This trend represents a reversal from the early and mid-1980s when consumer interest in dessert had slackened.

Favorite desserts, 1987

Ice cream dishes top the list of favorite restaurant desserts

Type of dessert	**Percent of total dessert orders**
Soft-serve ice cream	20%
Sundaes	16
Hard-serve ice cream	15
Pies	11
Cakes	9
Cookies	8
Frozen non-ice cream	5
Gelatin/pudding	4
Cheesecake	2
Other desserts	10

Source: NPD/CREST, *Annual Household Report*, 1987

Dessert's share of total occasions

In 1987, desserts had the strongest showing at midscale restaurants

	Percent of occasions	
	1982	**1987**
All restaurants	**15.3%**	**13.1%**
Quickservice restaurants	14.2	11.8
Midscale restaurants	17.0	16.6
Upscale restaurants	16.2	14.2

Source: NPD/CREST, *Annual Household Report*, 1982 and 1987

Dessert orders languished for much of the 1980s as consumers looked for ways to moderate their diets. The result was a 1.3 percent decline in the number of restaurant dessert orders between 1982 and 1987. However, this downward trend has reversed, and consumers seem to be succumbing to their sweet tooths. Dessert orders climbed 3.2 percent in 1987 and gained a strong 6.2 percent during the first three quarters of 1988.

Quickservice leads dessert-order growth

Among all industry segments, quickservice restaurants have seen the most rapid growth in dessert orders. Between 1982 and 1987, dessert orders rose 5.4 percent at quickservice operations.

This growth has been particularly strong in recent months, with orders rising 5.1 percent in 1987 and 11 percent for the first three quarters of 1988.

There was some erosion in dessert's share of total quickservice occasions from 14 percent in 1982 to 12 percent in 1987. However, dessert's share of occasions rebounded slightly in 1988.

Midscale restaurants have experienced solid growth in dessert orders over the last two years. Dessert orders climbed 3.4 percent in 1987 and 1.3 percent for the first three quarters of 1988, after having fallen sharply the prior four years. This growth has occurred despite the continued decline in total food orders at midscale restaurants.

Dessert orders have suffered at upscale restaurants; they dropped 4.6 percent in 1987 and 10 percent for the first three quarters of 1988. Overall, upscale dessert orders decreased 2.2 percent between 1982 and 1987, and dessert's share of upscale occasions slipped from 16 percent to 14 percent during that time.

Dessert dishes

Ice cream heads the list of restaurant patrons' favorite desserts. Total ice cream orders gained 12 percent since 1982, representing 51 percent of all dessert orders in 1987. Popular ice cream dishes included soft-serve ice cream (20 percent of total 1987 dessert orders), sundaes (16 percent) and hard-serve ice cream (15 percent).

Other frequently ordered desserts at restaurants included pies (11 percent), cakes (9 percent) and cookies (8 percent).

There has been a substantial decline in the popularity of cakes and pies at restaurants over the last five years. Orders for cakes and pies dropped 34 percent and 25 percent, respectively, between 1982 and 1987. As a result, the share of dessert orders held by both cakes and pies slipped from 29 percent to 20 percent in the five-year span.

Ice cream big at quickservice

Ice cream was most popular at quickservice restaurants, where it accounted for nearly two-thirds of dessert orders in 1987. The ice cream dish of choice for many was soft-serve ice cream (27 percent of 1987 quickservice dessert orders), followed by hard-serve ice cream (19 percent) and sundaes (18 percent). Cookies (8 percent) were the favorite non-ice cream dessert.

Ice cream was less popular at midscale restaurants than at quickservice operations, but still was the number-one dessert, accounting for 36 percent of midscale dessert orders. Sundaes headed the ice cream lineup for midscale diners in 1987 and were responsible for 15 percent of total

Ice cream facts

☐ According to the International Ice Cream Association, U.S. consumers purchased 931.4 million gallons of ice cream in 1987, up from 894.5 million gallons in 1984.

☐ The average consumer ate 15.3 quarts of ice cream in 1987.

☐ Thirty-one percent of all ice cream produced in the United States is vanilla; 9 percent is chocolate.

☐ America's favorite ice cream flavors, in order, are vanilla, chocolate, Neapolitan, vanilla fudge and cookies & cream.

Growth in dessert orders

Dessert orders have risen in recent years

	Percent change		
	1982-1987	**1986-1987**	**1987-1988***
All restaurants	**−1.3%**	**3.2%**	**6.2%**
Quickservice restaurants	5.4	5.1	11.0
Midscale restaurants	−9.8	3.4	1.3
Upscale restaurants	−2.2	−4.6	−10.1

**First three quarters of 1988 compared with first three quarters of 1987*

Source: NPD/CREST, *Household Annual and Quarterly Reports*

Dessert selection on menus

Frozen desserts have experienced the greatest growth

	1982	**1988**
Total number	249	265
Percent total		
Frozen desserts	27%	38%
Pie	18	20
Cake	26	16
Pastry	5	9
Pudding, custard, mousse	8	7
Fruit-based desserts	7	4
Miscellaneous	7	4
Brownies/cookies	2	2

*One hundred menus (lunch and dinner) were randomly selected from those submitted to the National Restaurant Association's Great Menu Contest for analysis. Fifty were chosen from the 1982 entrants and 50 from 1988.

Source: National Restaurant Association 1988 Menu Analysis*

dessert orders at these establishments. Soft-serve ice cream made up only 11 percent of midscale dessert orders, and hard-serve ice cream was responsible for 9 percent. Pies and cakes were popular in the midscale dessert market, accounting for 21 percent and 13 percent, respectively, of dessert orders in 1987. There was also some consumer interest in gelatin/pudding offerings at midscale restaurants, which represented 8 percent of dessert orders.

Upscale restaurant patrons also find ice cream to be the most appealing dessert item, and it accounted for about one in four upscale dessert orders in 1987. Hard-serve ice cream, with 14 percent of dessert orders, was the favorite ice cream dish, followed by sundaes at 8 percent. Cakes and pies were also quite popular at upscale restaurants, representing 20 percent and 14 percent of dessert orders, respectively. Upscale restaurants also attracted cheesecake lovers; this dessert accounted for 8 percent of dessert orders.

Who eats dessert?

According to a special association CREST study, dessert has found greater appeal among females than males. Women accounted for 54 percent of dessert occasions in 1986, compared with 46 percent for males. By age group, dessert has the greatest following among 25 to 34-year-olds and 35 to 54-year-olds, who together represent 35 percent of dessert occasions.

Dessert is also popular among middle-aged and older adults. In 1986, individuals over the age of 45 were responsible for more than one in three dessert occasions. In fact, when dessert orders are compared with other food items by age group, 65 to 74-year-olds showed the greatest propensity to order dessert, followed by 25 to 34-year-olds. Thirty-five to 44-year-olds and 55 to 64-year-olds were also above-average eaters of dessert. On the other hand, children and teenagers recorded below-average dessert orders—except for ice cream. Those under the age of 18 years showed a higher-than-average propensity to order ice cream in 1986 and accounted for 29 percent of ice cream occasions, compared with 18 percent of occasions for other desserts.

In fact, customers who are likely to order ice cream for dessert at a restaurant differ slightly in profile from those who frequently order other desserts. In addition to being popular with youngsters, and 25 to 44-year-olds, it is favored by women. In 1986 women accounted for 55 percent of ice cream occasions and 25 to 44-year-olds represented 35 percent. The elderly (those over 75 years of age) and 18 to 24-year-olds reported below average ice cream orders in 1986. Eighteen to 24-year-olds were below-average users of other dessert items as well.

—Sebastian O'Kelly

More diversity in desserts

According to a 1988 National Restaurant Association study of menus, the number of desserts appearing on restaurant menus increased slightly between 1982 and 1988.* Two hundred sixty-five dessert items appeared on the 1988 menus, 16 more than in 1982, representing a growth of 6 percent. Frozen desserts experienced the greatest growth—from 27 percent of all desserts on the 1982 menus to 38 percent in 1988—and showed more variety as well. Fewer sherbet dishes were featured in 1988.

Pastries and pies gained popularity on the 1988 menus. Pastries grew from 5 percent of 1982 dessert options to 9 percent in 1988. More pies were available in 1988, but even more important was an increase in variety. Apple pie appeared on 10 menus in 1982 but on only three of the 1988 menus. Mom's old favorite was crowded out by ice cream mud pies as well as sour-cream raisin, peanut-butter and sweet-potato pecan pies.

Patrons' fascination with cakes, however, seems to be waning. Cakes accounted for 26 percent of desserts in 1982 and only 16 percent in 1988. Cheesecakes fell in number from 31 to 20 in 1988, although there was a greater variety in 1988.

Pudding, custards and mousses maintained their small but consistent presence on menus, accounting for 8 percent of desserts in 1982 and 7 percent in 1988. The number of fruit-based desserts declined from 7 to 4 percent, but the availability of fresh fruit remained constant.

It is worth noting that the number of gelatin desserts declined by two-thirds—from 6 to 2 percent.

****One hundred menus (lunch and dinner) were randomly selected from those submitted to the National Restaurant Association's Great Menu Contest for analysis. Fifty were chosen from the 1982 entrants and 50 from 1988.***

Foodservice Market Measure, Nov. 1988

On a typical day in November 1988, 28 percent of adults ate on the premises of a restaurant, and 18 percent purchased food to go or for delivery.

Over the six-month period the Market Measure has tracked behavior, the likelihood of purchasing takeout or delivery has remained virtually unchanged—ranging from 16 to 18 percent. In contrast, on-premises patronage appears to be down slightly. The proportion of adults who were on-premises patrons dropped from 32 percent in June to 28 percent in November.

Although the overall proportion of adults who were foodservice patrons changed little in the June-November period, dinner patronage in November was lower than it had been during the summer months. In particular, the proportion of adults who ate dinner on premises declined to 10.7 percent in November 1988, the lowest point in the six-month period. Also, both lunch and dinner patronage were down from October to November, in contrast to earlier monthly changes.

Fall 1988 demographics

On a typical day in fall 1988, 44 percent of adults patronized foodservice outlets—similar to the 45 percent of adults who did so in the summer months. Nevertheless there was a significant decline in the proportion of adults purchasing more than one meal at a foodservice outlet on a typical day. Traffic from this important group declined from 13.4 percent of adults in the summer months to 10.3 percent in the fall.

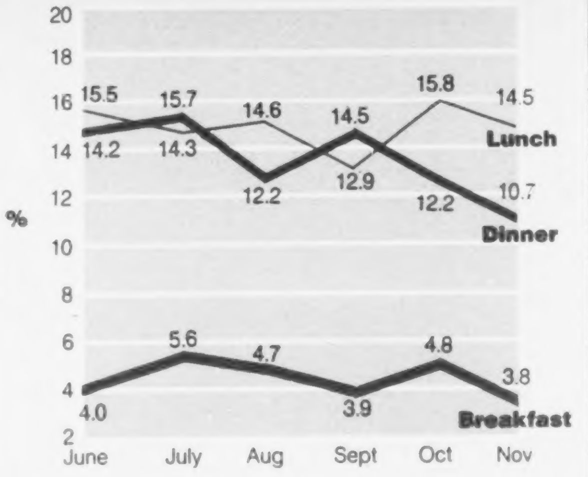
☐ **Sex and region:** There was little or no difference in patronage by sex of consumer or by the consumer's region of residence during the September-November period, when compared to summer 1988.

☐ **Income:** The industry's best customers—those whose annual household incomes exceed $30,000—cut back in fall 1988; fewer of them went to foodservice outlets. Fifty percent of these consumers patronized a foodservice outlet on a typical fall day, a significant decline from the 55 percent who did so during the summer. Fewer also frequented restaurants more than once in a typical day—11 percent in the fall, down from 16 percent during the summer.

☐ **Age:** Two contrasting changes in behavior are correlated to the consumer's age. Although consumers who are between the ages of 18 and 24 were more likely to patronize foodservice outlets in the fall than they were in the summer, consumers 25 to 34 years old were less likely to do so. This change is particularly relevant to restaurateurs providing off-premises meals and snacks, because young consumers—18 to 24 years old—are more likely to be customers for takeout and delivery. In fall 1988, 30 percent of those consumers purchased food for takeout or delivery, compared to 22 percent of those in the 25 to 34-year-old group—the next most likely group to purchase items for off-premises consumption.

—Susan Mills

Percent of adults who were on-premises patrons on a typical day by meal period, June–November 1988



Source: National Restaurant Association Gallup Survey

Demographics of eating-in behavior, fall versus summer 1988

	Percent of adults who were foodservice patrons	
	Summer 1988	**Fall 1988**
Sex		
Male	50%	50%
Female	41	39
Annual income		
Less than $15,000	34	39
$15,000 to $19,999	43	38
$20,000 to $29,999	46	45
$30,000+	55	50
Age		
18 to 24 years old	51	61
25 to 34 years old	53	46
35 to 49 years old	50	49
50 to 64 years old	38	40
65 years old or older	28	26
Region		
East	46	42
Midwest	48	46
South	43	45
West	42	44

Note: *Data refer to patrons on a typical day*

Source: National Restaurant Association Gallup Survey

Foodservice Market Measure

The Foodservice Market Measure is based on 1,000 telephone interviews, conducted by the Gallup Organization each month, with a nationally representative sample of adults age 18 and older. Each person is asked the same questions:

1. Which of the following did you do yesterday?

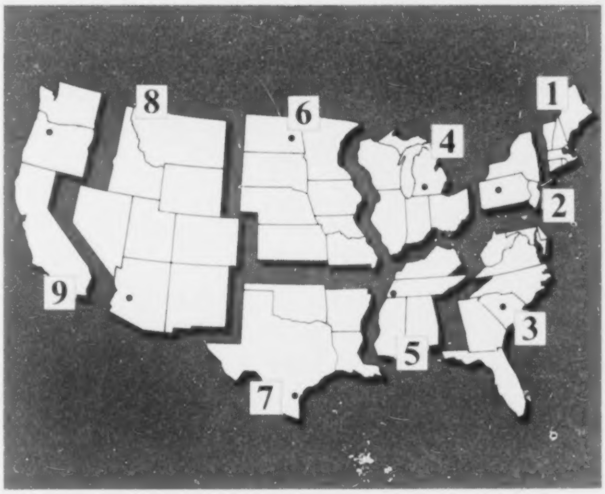
☐ Ate on the premises of a restaurant, fast food place, cafeteria or any other place where you purchased a meal or snack, or

☐ Purchased takeout food "to go" or had it delivered.

2. Was the food you ate on premises yesterday for breakfast, lunch, dinner or a snack?

3. Was the takeout food you purchased or had delivered for breakfast, lunch, dinner or a snack?

The monthly tracking of purchases is supplemented by quarterly inquiries on topics of industry interest, such as smoking versus no-smoking sections, tipping versus service charges, and nutritional concerns.



1 NEW ENGLAND

Location: Boston, MA
Association members: Mary, Mary Ann and Joseph Milano
Operation: Union Oyster House
Profile: Historic seafood restaurant
In business: 162 years
Seats: 650
Meals served: Lunch, dinner

Visitors to the Union Oyster House, Boston's oldest restaurant, can seat themselves at the very same semicircular mahogany bar where Daniel Webster used to drink tumblers of water and brandy and eat as many as three dozen oysters at a time. In more modern times, Jack Kennedy used to dine upstairs.

The building, more than 275 years old, was a Boston landmark even before it became a restaurant. Originally it was near the waterfront, but landfills have altered the shoreline; today the restaurant is blocks away from the water, on the edge of the downtown market district.

The oysters Webster loved so much are still a specialty, along with clams and shrimp. Lobster, boiled or broiled, is the favorite dinner selection, especially among the many visitors from Japan. Bostonians and American tourists patronize the Union Oyster House, too, especially conventioneers from a nearby auditorium and expo-center. According to **Mary Ann Milano,** a member of the family that owns the Oyster House, business has been consistently good over the past 20 years.

2 MID-ATLANTIC

Location: Williamsport, PA
Association members: Marcia and Gloria Miele, Holly Woodhead
Operation: Court & Willow Cafe
Profile: Casual fullservice restaurant
In business: 12 years
Seats: 50
Meals served: Breakfast, lunch, dinner

"Our business is good," says **Holly Woodhead,** Court & Willow Cafe manager. "Downtown's economy is up, and a just-completed office building has added to our business." Williamsport's attractions include the Little League museum, the Little League World Series in August and an annual boom festival with parades and a carnival.

The cafe changed from a cafeteria to a fullservice restaurant two years ago because the long lines were a deterrent to business. A popular feature is the friendship area, a booth in the center of the restaurant seating six, where single people can sit together. Woodhead says it is most popular at lunch.

Fresh pasta is the house specialty, and the cafe is known for its desserts. Specials may include peach custard pie, a chocolate almond torte, a raspberry cream cake or an apple dumpling—all made by the owners' mother.

3 SOUTH ATLANTIC

Location: Columbia, SC
Association members: Sally Lyles, Meredith Grier
Operation: Bones
Profile: Upscale, fine dining
In business: 5 years
Seats: 70
Meal served: Dinner

Located in Five Points, four miles from Columbia's downtown area, Bones is benefiting from the city's cultural renaissance, which has attracted two dance companies, a philharmonic orchestra and a soon-to-be-completed arts center. Columbia, the capital of South Carolina, is also home to the University of South Carolina and the South Carolina School of Medicine.

According to manager **Meredith Grier,** customers come to Bones because of the romantic decor—silver vases and candles on the tables, low lights and a pianist—as well as the menu. Filet mignon, Chateaubriand, and a rack of lamb for one are specialties, with seafood selections including the famous Carolina she-crab soup or soft-shell crab in season. With the seacoast only two hours away, the restaurant orders its seafood daily.

4 EAST NORTH CENTRAL

Location: Kalamazoo, MI
Association members: Scott Keiser, Robert Scott, Paul Simon
Operation: Chicken Port Incorporated
Profile: Restaurant and takeout
In business: 5½ years
Seats: 60
Meals served: Lunch, dinner

Owner **Scott Keiser** describes Chicken Port, located in a suburb of Kalamazoo, as a step up from fast food, with customers ordering at a counter and then having the food brought to their tables. However, takeout is the biggest share of the business.

Keiser sees even better times ahead because two large residential/business complexes are being built near his restaurant.

The specialty of Chicken Port, of course, is chicken—available in strips, filets or pieces. A new item, barbecued chicken, will be added in the spring. Non-chicken lovers can have seafood or barbecued ribs.

A salad bar not only offers fixings for salads but also serves as a resting place for the restaurant's prime conversation piece—a model of a tugboat built out of junk metal parts.

5 EAST SOUTH CENTRAL

Location: Moscow, TN
Association members: Reynould, Juanita and Robin Lewis
Operation: Lewis' Restaurant Incorporated

Profile: Casual barbecue restaurant
In business: 50 years
Seats: 100
Meals served: Breakfast, lunch, dinner

Last year the Lewis family celebrated the 50th anniversary of their restaurant, the 50th wedding anniversary of owners Juanita and Robin and "our best year ever," says son and co-owner **Reynould Lewis.** He credits a newly opened factory for bringing in a larger number of customers.

Lewis figures that over the years the restaurant has barbecued more than 4 million pounds of pork shoulder, the restaurant's specialty. Forty-five shoulders are cooked at a time over a hickory fire for 16 to 18 hours in an outside pit.

The restaurant is located in Moscow, a small town 25 miles east of Memphis and close enough to the Tennessee River so that boaters and fishermen stop by during the summer. Fall brings in hunters; but after the first of the year, business falls off, except for the weeks in February when the town hosts the search for the world-champion pointer dog.

6 WEST NORTH CENTRAL

Location: Grand Forks, ND
Association members: Ken Towers, Brad Towers, Mark Moon
Operation: Italian Moon
Profile: Family restaurant
In business: 22 years
Seats: 200
Meals served: Lunch, dinner

In the rural town of Grand Forks in northeastern North Dakota, patrons can choose from more than 450 items on the menu of the Italian Moon Restaurant. Pizza (26 kinds) and chile con queso dip are the most popular items, but customers like the soups, too. The pizza can be ordered for delivery, a service begun about five years ago in order to compete with home-delivery pizza restaurants moving into town. Deliveries now account for 35 percent of sales.

Although the farmers of the area were somewhat hurt by the drought, says manager **Brad Towers,** the Italian Moon could depend on its customers from the town's university and nearby airbase to keep sales from declining.

7 WEST SOUTH CENTRAL

Location: Corpus Christi, TX
Association members: Mike Herman, Lew Miller, Chuck Kovar, Charlie Vasek
Operation: Baja Coast
Profile: Upscale seafood restaurant
In business: 5 years
Seats: 375
Meals served: Lunch, dinner

"We've done real well," says owner **Mike Herman,** "in spite of the threat of Hurricane Gilbert in September that shut down the town for two or three days." He says the oil slump has bottomed out, and a new aquarium being built in the city will bring in more tourists and make business even better next year.

Baja Coast has a high-tech, seafood-market look. This is fitting for a restaurant specializing in seafood "done every way you can think of," although grilling the fish on mesquite is the restaurant specialty. The fish comes from the Bay of Corpus Christi, just a few miles away, as well as from Seattle, Florida and Boston. Gulf-Coast red snapper is the biggest seller. "We can never get enough," Herman says.

8 MOUNTAIN

Location: Sun City, AZ
Association members: Al and Martha Beachy
Operation: Country Cupboard Restaurant
Profile: Moderately priced family restaurant
In business: 7 years
Seats: 300
Meals served: Breakfast, lunch, dinner

Located in the retirement community of Sun City, where at least one spouse has to be over 59 years old, the Country Cupboard tries to create a homey atmosphere for its customers. Plaques, old wooden tools and Amish, Mennonite and locally made quilts adorn the walls. Homemade items from all over the world are for sale in the gift shop.

Owners **Al and Martha Beachy** try to bring a touch of home to their cooking, too, by serving the Pennsylvania Dutch dishes they were brought up on in Ohio. The breads, available for takeout from the adjoining bakery, are based on recipes from a Mennonite cookbook. Their peanut-butter fudge pie—layers of chocolate fudge, peanut butter, vanilla pudding and whipped topping—has been voted best in the Phoenix Valley for the past six years. Roasted chicken and fish, fried or baked, are the most popular entrees.

"Business is down 5 percent from last year," reports Al Beachy. He attributes the decline to the fact that fewer people are moving into the community than in the past because the corporation that built the development no longer advertises nationally.

9 PACIFIC

Location: Beaverton, OR
Association members: Maxine Borcherding, Susan Endecott, Sam Curci
Operation: The Best of Everything
Profile: Cafe and catering business
In business: 6 years
Seats: 25
Meals served: Breakfast, lunch

A move prompted **Maxine Borcherding,** co-owner of The Best of Everything, to combine her off-premises catering business with a cafe serving light breakfasts, lunch and afternoon desserts. Homemade soups, quiches, special sandwiches and daily hot entree specials draw customers from the adjacent business park, the surrounding residential areas and a nearby golf club. Half of the customers of the suburban Portland restaurant eat on premises; half choose carryout.

Catering is still the main business though, and word-of-mouth advertising has brought clients from Portland's corporations and political, charitable and educational foundations. Borcherding makes sure there are always one or two of her employees at each party to answer the questions of prospective clients.

Borcherding makes use of Oregon's bountiful food products—salmon, trout, Dungeness crab, apples, pears, hazelnuts and wild mushrooms. She likes pairing the foods with local wines at wine tastings.

—Julie Fintel

Diners within a diner

Something's cooking at Uncle Bob's Diner, but unless you're hungry for art, don't expect to get your appetite satisfied at the Rockford, Michigan, landmark. Jerry Berta, a 37-year-old sculptor who specializes in ceramic pieces shaped like diners, recently turned a historic diner into his studio and gallery.

The diner-within-a-diner concept, which has fascinated Berta for years, became a reality when he purchased a 41-year-old diner in 1986 in Flint, Michigan. The artist then moved it 125 miles to Rockford.

He spent the past year restoring the original pink Formica ceilings, porcelain-enamel exterior and stainless-steel sunburst patterns. The project has cost him about $50,000. The kitchen now serves as his studio, and the counters and shelves, where miniature boxes of cereal might have sat years ago, are the showplaces for his art, priced from $60 to $1,000.

Berta's diner-shaped ceramic pieces range from Art Deco salt and pepper shakers to diner replicas 8 inches high and 15 inches long with working neon signs. Inside some of the more detailed pieces are tiny Coca-Cola signs, ceramic utensils and food on countertops.

Berta believes the diner's intrinsic "homeyness" will put customers at ease.

—*The New York Times*

Super bowl of chili

When the Cincinnati Bengals and their fans headed for Miami for Super Bowl XXIII, they got a little taste of home—the original Skyline Chili. Skyline Chili has been serving up its special chili to Cincinnati folks since 1949. There are 50 Skyline Chili units in Cincinnati, but the company also has two units in Florida—both of them 10 minutes from the stadium in Miami where the Super Bowl was played. It was too good an opportunity to pass up.

Skyline's game plan included decorating both restaurants to look like jungles—the affectionate nickname for Cincinnati's Riverfront Stadium. Bengals players and coaches were served Skyline Chili during a live radio talk show in Miami, and fans were invited to make the restaurants their Super Bowl headquarters during their stay.

—*Skyline Chili, Inc.*

Higher ceiling on small-business loans

Good news for small businesses that are unable to obtain credit on reasonable terms: The Small Business Administration (SBA) has raised its ceiling on guaranteed loans from $500,000 to $750,000, which increases the availability of capital to small businesses—including many restaurants—across the country.

SBA will guarantee a maximum of 90 percent on loans up to $155,000 and 85 percent on loans over that amount. SBA loans typically have a variable interest rate that is two percentage points above the New York prime rate and have a maturity of about nine years.

—*Entrepreneur*

Good for you—and better tasting, too

Food manufacturers are making it easier to cater to your nutrition-conscious customers. Tofu, famous for its superior nutritional qualities as well as its bland taste and rubbery texture, is now available in seasoned varieties. French country tofu, with flecks of chopped green herbs, not only tastes better than plain tofu, it looks more appetizing, too. Its subtle flavor can complement salads, salad dressings, dips and even lasagna.

Chinese five-spice tofu delivers a zing uncharacteristic of tofu, which makes it a natural addition to stir-fried vegetable dishes or hot and sour soup. These seasoned tofus are produced by Nagoya Foods, Inc., of Leominster, Massachusetts.

Also new on the health horizon is the use of canola oil in food preparation. Frozen-potato manufacturers are beginning to par-fry some products in canola oil, which is similar to olive oil in that it is low in saturated fat and high in monounsaturated fat, making it appropriate for heart-healthy diets. Provided they are finished off in canola oil, these fried potato products have about half the saturated fat of potatoes fried in animal-vegetable shortening or standard vegetable shortening.

—Restaurants USA

Ah...so healthy

Food delivery by Chinese restaurants in New York City isn't what it used to be. It's more. Many menus now include "diet" and "health" sections whose dishes are "cooked without salt, sugar, cornstarch or MSG"—or steamed—"prepared only with scallion, garlic, ginger and wine." Some restaurants even offer brown rice instead of the traditional white variety.

—Restaurants USA

MAKE MONTEREY YOUR MARCH GETAWAY

INFO '89

March 9-11, 1989
Monterey, California

WHO SHOULD ATTEND:

Independent Foodservice Operators: INFO '89 is the only industry conference tailored to the needs of today's independent restaurateur.

CONFERENCE HIGHLIGHTS:

"Service: Your Survival Kit for the '90's" is the theme of this year's conference. Key industy speakers will examine various aspects of service. Don't miss this chance to discuss one of the industry's top concerns.

SPEAKERS & TOPICS INCLUDE:

"Round 'N Round": Michael Hurst, 15th Street Fisheries, and Donald Smith, distinguished Westin professor, Washington State University, will engage in a dynamic exchange on issues selected by attendees prior to the meeting.

Job Analysis Research: Research conducted exclusively for the Educational Foundation analyzes various foodservice jobs and the qualities needed to be a good manager.

California Idea Exchange: Successful California restaurateurs will share their experiences as independents.

Break-out Study Groups: Attendees will work together to find possible solutions to some of the issues that will face operators in the 90's.

Washington Update: A look at the new administration and its impact on the industry.

THE MONTEREY WINE FESTIVAL

March 12-14, 1989
Monterey, California

WHO SHOULD ATTEND:

The Monterey Wine Festival is designed for restaurateurs, hoteliers, club managers and sommeliers. This conference also targets the needs and interests of wine distrbutors and retailers, wine educators and winemakers, and wine buffs.

CONFERENCE HIGHLIGHTS:

Taste over 800 wines, attend a series of educational seminars; dine in the top restaurants on the Monterey Peninsula; meet, talk with and learn from some of the world's most knowledgeable people on wine. . . .These are just a few of the many highlights you'll enjoy by attending this year's Monterey Wine Festival.

SPEAKERS & TOPICS INCLUDE:

Maximizing Restaurant Profits: Restaurant wine consultant Steve Fox will demonstrate how to improve sales and customer relations through staff training.

Merchandising Wine and Food in Restaurants: Michael Hurst, 15th Street Fisheries, will head a panel of successful restaurateurs and club managers who will discuss the ins and outs of merchandising wine and food.

How to Taste Wine like the Pros: Enjoy a valuable educational session on the basics of wine tasting.

The Alchemy of Food & Wine: The fascinating relationship between food and wine will be explored by a diverse panel of experts.

REGISTER TODAY FOR INFO '89 AND THE MONTEREY WINE FESTIVAL
Attend both programs, save $100 and optimize your time and travel dollar.

INFO 89

	Members	Nonmembers
• INFO '89	$495	$550
• Monterey Wine Festival	$345	$345
• Both INFO '89 and Monterey Wine Festival *	$740	$795

THE MONTEREY WINE FESTIVAL

To register for INFO '89 contact:
The Educational Foundation of the National Restaurant Association, 250 South Wacker Drive
Chicago, Illinois 60606
Call (312) 715-1010 or (800) 522-7578

To register for The Monterey Wine Festival contact:
The National Restaurant Association
150 North Michigan Avenue, #2000,
Chicago, Illinois 60601
Call (312) 853-2525 or (800) 247-4448

*** CONTACT EITHER THE EDUCATIONAL FOUNDATION OR THE NATIONAL RESTAURANT ASSOCIATION TO REGISTER FOR BOTH CONFERENCES.**

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THE MONTHLY MAGAZINE OF THE NATIONAL RESTAURANT ASSOCIATION VOL. 9 □ NO. 3 □ MARCH 1989

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ASSOCIATIONMEETINGS

SEMINARS

Basic Foodservice Courses

Dining Room Management

3/15	Burlington, VT
4/4	Atlanta, GA
4/5	Orlando, FL
4/10	Virginia Beach, VA
4/18	Grand Rapids, MI
4/19	Milwaukee, WI
5/2	Washington, DC
5/29	Calgary, Alberta, Canada
5/30	Vancouver, BC, Canada
6/6	Cincinnati, OH
6/7	Louisville, KY
6/13	Atlantic City, NJ
6/20	Indianapolis, IN

Kitchen Management

4/10	Manchester, NH
4/11	Burlington, VT
4/17	Washington, DC
4/24	Austin, TX
4/25	Fort Worth, TX
5/8	Portland, OR
5/9	Seattle, WA
5/16	Colorado Springs, CO
6/6	Harrisburg, PA
6/12	Los Angeles, CA
6/13	Burlingame, CA
6/27	Honolulu, HI

Foodservice Management Courses

Banquet Management

4/11	Covington, KY
4/12	Detroit, MI
6/6	Minneapolis, MN
6/8	Cambridge, MA

Food Cost Management

3/20	Pittsburgh, PA
4/11	New Orleans, LA
4/25	Valley Forge, PA
4/26	Rockville, MD
6/6	Seattle, WA
6/7	Eugene, OR
6/27	Portland, ME

Off-Premises Catering

3/28-29	Tyson's Corner, VA
4/4-5	Chicago, IL
4/25-26	San Antonio, TX
5/24-25	Miami, FL
6/6-7	San Francisco, CA

Planning Successful Buffets

3/20	Baltimore, MD
4/3	Grand Rapids, MI
4/4	Minneapolis, MN
4/17	Hartford, CT
5/8	Boston, MA
6/12	Portland, OR
6/13	Seattle, WA

Profitability

3/21	Washington, DC
3/22	Buffalo, NY
4/3	Portland, ME
4/5	Boston, MA
4/6	Philadelphia, PA
6/7	New Orleans, LA
6/8	Tampa, FL

Seminars Scheduled During Show

5/21	Banquet Management
5/21	Creating, Planning and Implementing Successful Buffets
5/21	Dining Room Management
5/21	Do it Yourself Public Relations
5/21	Food Cost Management
5/21	Hiring In a Tight Labor Market
5/21	Increasing Sales
5/21	Kitchen Management
5/21	Menus that Sell
5/21	Perfecting Your Culinary Skills
5/21	Profitability
5/21	Soups and Sauces

For information, contact:
Educational Foundation of the
National Restaurant Association
250 South Wacker Drive
Chicago, IL 60606
(312) 715-1010.

If your company is interested in our in-house programs, call or write to the attention of Jeff Harrison at the above address.

EXECUTIVE STUDY GROUP SERIES

Financial Officers

4/5–7 Orlando, FL

Food Purchasing Managers

5/18–19 Chicago, IL

Internal Auditors

3/14–17 Sanibel Island, FL

Management Information Systems

4/18–21 San Antonio, TX

Marketing Executives

5/17–20 Chicago, IL

Multi-unit Architects, Engineers and Construction Officers (MAECO)

5/17–19 Chicago, IL

Quality Assurance

4/26–28 Cincinnati, OH

Tax Executives

4/5–7 Orlando, FL

The Executive Study Groups present semi-annual professional development programs for executives who would like to meet with their industry peers to share ideas and concerns. Executives in each of the aforementioned disciplines from member foodservice companies are welcome and encouraged to participate.

For more information on specific study groups, contact: Philip Kralovec, (312) 853-2525.

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USA

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PRESIDENT'S REPORT

Jim L. Peterson, President and Chief Executive Officer
Whataburger, Inc., Corpus Christi, TX

In spite of last year's successes, our fight against legislation that could harm our industry is far from over. In Congress, bills have been reintroduced that once again raise the question of who determines benefits and wages—the government or the owner-operator. Proposals to raise the minimum wage and to mandate parental leave have already been put forth, and we are expecting legislation to be introduced that will require employers to provide health benefits for all employees. We defeated this legislation last year with a tremendous grassroots effort. It is clear we will have to do so again.

Our legislative battles are far from over

In addition, many leaders in Congress seem to be in favor of further reducing the deduction on business-marketing meals—from 80 percent to 50 percent. Your association is preparing materials to explain to Congress how disastrous this legislation would be—not only for our industry but also for state and local governments and the millions of salespeople who use the business meal as their chief marketing tool.

Obviously, with this kind of legislation under consideration, we will be calling on each and every one of you to call, write or meet with your congressional representatives and senators to let them know your feelings on these issues. Only by turning out the same numbers as we did last year can we show our lawmakers that there is strong public opposition to this legislation.

Solid-waste approaches

At the recent Board meeting, we discussed the solid waste crisis. Even though the foodservice industry contributes very little to the problem, state and local legislatures are proposing an ever-greater number of restrictions on disposable packaging. Your association is preparing a statement urging multiple approaches to the solid waste problem, as opposed to programs that concentrate solely on reducing or prohibiting single classes of waste materials, such as foodservice waste or disposable containers. This statement will be distributed to state and local officials as well as to the media.

Repeal Section 89 of IRS code

We are also working, as part of a Washington coalition, to try to activate a grassroots effort by businesses throughout the country to repeal Section 89 of the Internal Revenue Code. The goal of Section 89 is to ensure that employer-sponsored benefits are fairly distributed to both higher and lower-paid employees. If you have tried as yet to comply with this provision, you know firsthand that its complicated provisions and burdensome requirements are counterproductive. That is why we are supporting the repeal bill introduced in the House by Congressman John LaFalce (D-NY) and in the Senate by Senator Trent Lott (R-MS).

New drunk driving concerns

There seems to be a growing concern once more in our country about the problem of drunk driving. The National Restaurant Association shares this concern and since 1982 has had a strong program in place to help restaurateurs prevent drunk driving.

Unfortunately, there are those who will use this issue to give support to their personal battle for prohibition. These people usually focus on reducing the availability of alcohol rather than on educating young people about responsible use of alcohol or on treating those problem drinkers who cause the great bulk of alcohol-related accidents.

We are expecting recommendations from the National Academy of Sciences that may propose a reduction in the legal Blood Alcohol Content (BAC) that correlates with legal intoxication. We also expect the Surgeon General to issue a report on drunk driving very soon, which will contain many suggestions for reducing the availability of alcohol and very few suggestions for helping problem drinkers. Your association is in contact with the parties responsible for this decision and report and is already attempting to point out to our legislators how inadequate these measures may be.

In the interim, it is important that every operator who serves alcohol provide alcohol-awareness training programs for his or her employees. A list of such programs is available through the association's information service. The association has also produced both an hour-long and a 25-minute-long videotape on alcohol-awareness training. These tapes are available through the publications department.

Two new studies published

Your association's research department has recently issued two new studies. *The Hourly Wage Survey* is a survey of the average wages paid to hourly foodservice employees in all categories. For the first time, state-by-state results are also included. Any member who would like information pertaining to his or her state can obtain it by calling the association's information service.

The second publication, *Tableservice Trends 1989*, examines both consumer and operator attitudes about a number of controversial issues, such as the introduction of the service charge, setting up smoking sections and the handling of reservations and no-shows. It also discusses a variety of other features from the standpoint of the customer and the operator, among them on-premises bakeries, remodeling, and menu items for nutrition-conscious diners. For further information on how to order either study, call the information service.

1989 Show: May 20-24

It's not too early to begin thinking about the Show, to be held this year May 20 through May 24. During those dates Chicago's McCormick Place will be the site of 1.2 million square feet of exposition and countless educational programs. You don't know the last word in foodservice unless you've been to the National Restaurant Association Restaurant, Hotel, Motel Show. Start planning now to join me in Chicago in May.

Last month, 100 new members joined your association. We welcome them among our ranks and assure them that their participation in our programs will strengthen both their own business and the industry as a whole.

Sincerely,

Jim L. Peterson

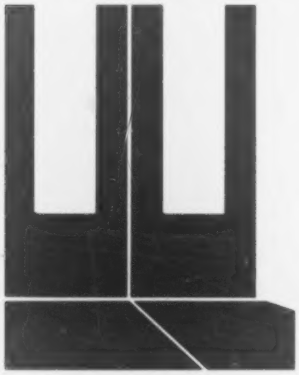
Jim L. Peterson
President and Chairman of the Board

RESTAURANTS USA

COVER STORY:
WHERE ARE THE "MOMS AND POPS"?

12 What's happening to the traditional franchise restaurant owners? The mom-and-pop entrepreneurs seem to be disappearing from foodservice franchising as large chains look to more experienced—and capital-rich—small investors. This lead article in ***Restaurant USA's*** franchise issue discusses the implications of the shift in ownership.

SPECIALS



16 **Time to franchise?**
Is your operation ready to become the prototype for several—maybe hundreds—of units selling your special concept? Before taking the plunge into the fast-growing franchise sector, there are some questions to ask and issues to consider.

18 **Calling it quits**
There are many reasons for bright, motivated managers to lose their enthusiasm for the day-in, day-out hard work and craziness of the restaurant business. This "year-of-the-employee" article looks at some of the key reasons that managers leave their jobs—and points to ways to keep them.

20 **Conference report—Going beyond traditional employment sources**
The association's symposium, "Foodservice Employment 2000," brought together people who needed to talk—foodservice employers trying to build a strong workforce, and representatives from groups who may be able to supply that workforce, including Hispanics, Blacks, the handicapped, seniors and women.

21 **Forging closer ties to Hispanics**
Hispanics are the fastest-growing—and youngest—minority group in the United States. If the foodservice industry learns more about Hispanics—their talents, needs and special characteristics—it will find them to be loyal and productive employees.

24 **Buffalo**
It's low in cholesterol, versatile and all-American. Could buffalo be the "meat of the 90s"?

26 **Glasnost in the kitchen**
As the relationship between the governments of the United States and the Soviet Union warms up, so do the opportunities for expanding American foodservice behind the Iron Curtain. This new openness, or *glasnost*, is also allowing exciting culinary exchanges to take place between the two countries. Don't miss the sidebar on Russian foods.

32 **Ways to reduce workers' comp. claims**
Having a system in place to deal with on-the-job injuries before they occur is the best way to prevent a costly workers' compensation claim.

Cover photo by Peter Krogh

DEPARTMENTS

6 **Short Orders**
- ☐ Mobile restaurant tests the market
- ☐ Octagonal box for Domino's
- ☐ Hole wins $10,000 scholarship
- ☐ News from the schools
- ☐ Meal-O-Saurus meal cartons
- ☐ "Look for the Rhino" program
- ☐ A look at tableservice restaurant trends
- ☐ Jack in the Box pitches in for literacy
- ☐ Burger King float bows to education
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SHORTORDERS

Octagonal box for Domino's

Square may be out for pizza cartons. Domino's Pizza is replacing its square pizza cartons with an octagonally shaped box called Octabox.

Tests demonstrated that the new Octabox keeps pizzas hotter than the square box, keeps toppings from sticking to the lid and earns points with in-store personnel, who prefer it over the traditional carrier.

The design uses 10 percent less cardboard, is less expensive to make and gives the company a unique look with its customers, but it retains the biodegradable qualities of the square box. Domino's Pizza tested more than 50 different pizza box designs before settling on the Octabox.

Meal-O-Saurus meal cartons

Admark, Inc., has introduced a new twist to promotional children's meal cartons: Meal-O-Saurus™. These cartons combine a dinosaur theme with an innovative container that features an open tray and a drink carrier to avoid messy spills in both restaurants and cars.

Each carton in the series of three features a realistic-style illustration of either the Stegosaurus, Tyrannosaurus or the Elasmosaurus, along with specific information about that particular species. Facts concerning dinosaurs in general are also included on each carton.

Golden Corral awards interest-free education loans

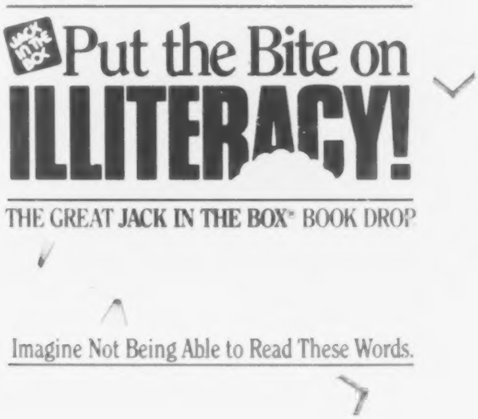
The future of 27 Golden Corral workers is brighter, thanks to the Golden Corral Education Fund, which provides education loans through the company's education fund. These interest-free loans are forgiven, if upon completion of schooling, the employees choose a career with Golden Corral.

The fund was initiated by James Maynard, board chairman of the Raleigh, North Carolina-based steakhouse chain, to commemorate the opening of Golden Corral's 500th restaurant in July 1987. The fund's 1989 endowment is $100,000.

Jack in the Box pitches in for literacy

Phoenix-area Jack in the Box customers have been dropping off their used books at Maricopa County's 66 restaurants and receiving a $1-off coupon for a grilled chicken fillet in return. On March 11, those books will be sold to benefit area library and literacy programs. There will be an auction of some bestsellers autographed by the likes of George Burns and Bill Cosby, as well as free food, drinks and prizes.

If the money-raising project is a success, Foodmaker, Inc., owner of the Jack in the Box restaurants, plans to duplicate the program in other cities.


Jack in the Box
Put the Bite on
ILLITERACY!
THE GREAT JACK IN THE BOX® BOOK DROP
Imagine Not Being Able to Read These Words.

Mobile restaurant tests the market

Arby's and the Getty Petroleum Corporation are testing the feasibility of codeveloping gasoline properties that might be too small for a standard sit-down fast food restaurant/gasoline-unit combination.

The Arby's restaurant is an 8-foot-by-36-foot mobile walkup that is placed on a location to test market conditions and sales patterns in the area. After a period of time, when the sales results for both the gasoline station and the food operation are reviewed, a decision is made whether to replace the mobile vehicle with a pre-fabricated Arby's Walk-Up Restaurant. This pre-fab restaurant can be either the same size or slightly larger than the mobile unit and can be placed on an existing slab. The mobile vehicle can then be moved to other locations, and the process continued.

Municipal reaction to this project appears to be favorable, as does consumer opinion.

A look at tableservice restaurant trends

What features are consumers looking for at tableservice restaurants this year? Do they want daily menu changes, nonsmoking sections, children's menus, on-premises bakeries or dessert displays?

What changes are being made in menus? How do restaurateurs deal with reservations and no-shows? Is the service-charge system becoming more popular?

All these questions and many more are answered in *Tableservice Restaurant Trends, 1989*. This report includes the results of a Gallup survey of consumers as well as an extensive survey of tableservice operators—both conducted in October 1988. It also includes an analysis of tableservice restaurant menus from 1988 and 1982.

The 178-page report covers such diverse topics as

- ☐ menu analysis
- ☐ nutrition issues
- ☐ reservations and no-shows
- ☐ service charges
- ☐ tableservice restaurant practices and features
- ☐ convenience services offered, including home delivery and off-premises catering
- ☐ remodeling plans and
- ☐ demographics of tableservice customers.

To order the report

Copies of *Tableservice Restaurant Trends, 1989* (CS 500) are available to members for $30 and to nonmembers for $60. All orders must be prepaid.

You may order by sending a check or money order to the National Restaurant Association Publications Department, 1200 Seventeenth Street, N.W., Washington DC 20036. Note: Washington DC residents must add 6 percent sales tax to their orders; Illinois residents must add 7 percent; and residents of Chicago must add an extra 1 percent, making their total sales tax 8 percent.

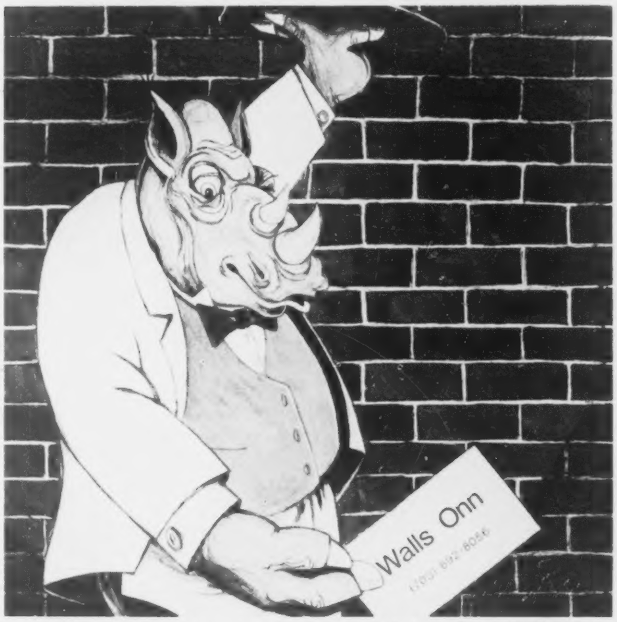
Add 10 percent to the total cost for postage and handling.

Credit-card orders are accepted over the phone for orders over $10. Call the association's Information Service and Library between 9:00 a.m. and 5:00 p.m. (Eastern Standard Time) at 1-800-424-5156 or (202) 331-5900 in Washington DC.

Hole wins $10,000 scholarship

Thomas J. Hole (left), the 1988-89 $10,000 Seagram Hospitality Management Scholarship winner, accepts the award from Lawrence J. Weiss, Vice President–National Account Sales, Joseph E. Seagram & Sons, Inc. The award is administered by The Educational Foundation of the National Restaurant Association.

"Look for the Rhino" program



More than 100 restaurants and nightclubs in the metropolitan Washington area have joined the "Look for the Rhino" campaign. The media-supported campaign is a coordinated effort to give restaurant and nightclub patrons essential information ranging from taxicab phone numbers to the dates of upcoming theater and sporting events, health and safety messages, and notices from local public service organizations, such as the Muscular Dystrophy Association.

The Rhino, spotlighted in the top left corner of each display and turned out in a blue waistcoat and black bow tie, is the identification symbol created for the campaign.

News from the schools

☐ For the first time in its history, Cornell University's School of Hotel Administration is assigning faculty members to serve concurrently as department managers for its hotel on campus. Managers of most of the nation's university hotels have no teaching responsibilities.

☐ The Escoffier Restaurant at The Culinary Institute of America has received a four-star rating for 1989 from *The Mobil Travel Guide*.

☐ Twenty-seven hotel, restaurant management and dietetics students at Kansas State University prepare evening meals two days a week for the Manhattan Emergency Shelter as part of a class requirement.

TOURISM WORK$ FOR AMERICA

NATIONAL TOURISM WEEK · MAY 14-20, 1989

Importing foreign workers

If you thought temporary agencies and leasing firms were revolutionary recruiting channels, try this one on for size. The service industry may soon be using law firms to reserve foreign workers for the future.

Johnson & Freedman, P.C., a Wheaton, Maryland, law firm that specializes in immigration matters, is touting the advantages of recruiting entry-level aliens or foreign workers for future jobs through labor certification. Employers can use the law firm to reserve a worker, or groups of workers (up to 100), who agree to work for the employer for at least one year as they earn their "green card."

According to the law firm, recruiting employees by labor certification can result in savings on advertising, recruiting expenses and other costs associated with high employee turnover rates. Johnson & Freedman assumes the responsibility for supplying and prescreening the prospective employees. The prospective employees assume all costs associated with the process. There is no cost, obligation or liability to the employer.

The bad news? The "quota" waiting period for an immigrant visa can be anywhere from one to three-and-one-half years. But employers might want to consider the program as a hedge against future shortages.

Burger King float bows to education

Burger King Corporation Regional Vice Presidents (from left) Rob Hill, Don Wollan and George Miller show off the Burger King-sponsored 1989 Tournament of Roses Association float. The entry, a salute to education tied to Burger King Corporation's "Education Enriches Everyone" umbrella program, showcased three high school students and their social studies teachers as riders. The students, grand prize winners of $5,000 college scholarships, were selected via an in-school American history essay contest, for which local Burger King restaurants served as collection points. More than 4 million middle school and junior and high school students were eligible to win.

Minimum-wage increase gathers steam

Moving forward in fits and starts, legislation to increase the minimum wage appears to be gathering steam in the Senate, where Labor and Human Resources Committee Chairman Ted Kennedy (D-MA) has made the increase a priority.

After postponing an early February committee vote on S. 4, the bill to raise the wage to $4.65 by 1992, Kennedy scheduled committee "markup" for March 8. Kennedy has held no hearings on the bill.

Both proponents and opponents of the wage hike are waiting for the administration to take a stand on the issue. Department of Labor Secretary Elizabeth Dōle has not yet put forth a specific recommendation, although both she and President Bush have said the administration will not support any minimum-wage proposal that does not include a lower minimum wage for newly hired workers.

The National Restaurant Association remains opposed to minimum-wage hikes that either come right off an employer's bottom line or force employers to increase menu prices or cut back employee hours. It continues to argue for a lower training wage and for a higher tip credit.

Harkin calls for 50 percent tip credit

Sen. Tom Harkin (D-IA), at the urging of restaurateurs in his state, is again championing the restaurant industry's push in Congress for a higher tip credit.

On January 25, Harkin introduced a bill to move the credit from its current 40 percent level to 45 percent this year and 50 percent in 1990. Similar provisions have been proposed in the U.S. House by House Education and Labor Committee Chairman Rep. Gus Hawkins (D-CA).

The tip-credit issue will be part of the minimum-wage debate in both the House and Senate.

The National Restaurant Association urges all restaurateurs employing tipped workers to ask their U.S. senators to cosponsor or support Harkin's bill, S. 167, by calling the Capitol Switchboard at (202) 224-3121 or writing c/o the U.S. Senate, Washington DC 20510.

New clearinghouse with family policy ideas

If you're looking for ideas to help your employees cope with family demands, there's a new clearinghouse that may be of help.

The U.S. Department of Labor's Work and Family Clearinghouse can give information on such topics as where to look when arranging for on or off-site child care for workers and how to establish flexible leave or parental-leave policies. It also provides examples of family-oriented company programs already in place.

To find out more about the Work and Family Clearinghouse, contact the U.S. Department of Labor, Room S-3309, 200 Constitution Ave., N.W., Washington DC 20210; (202) 523-4486.

Parental-leave issue resurfaces

Parental and medical leave legislation is once again on the fast track in both the U.S. House and Senate. Leave proponents scheduled a quick first round of hearings in February and plan committee votes on the issue in March.

Rep. Bill Clay (D-MO), the sponsor of the House bill (H.R. 770), and Sen. Chris Dodd (D-CT), the chief Senate sponsor of S. 345, claim bipartisan backing for the leave mandates: 20 Senate cosponsors and 136 House cosponsors have already signed up. President Bush's position on the legislation remains unclear, although he has said he opposes federally mandated benefits.

The House bill requires employers to give workers up to 10 weeks of leave every two years to care for a newly born or adopted child and up to 15 weeks in annual medical leave for the employee's own serious illnesses. The Senate version proposes 10 weeks of parental leave and 13 weeks of annual medical leave.

The House legislation would cover all employers with 50 or more workers employed within a 75-mile radius. Companies with 35 or more employees would be covered after three years. The Senate bill covers employers of 20 or more workers.

Under both bills, employers must guarantee workers on leave their same or a similar job when they return, and employers must continue to offer group health benefits to workers during their absence.

Business witnesses at the two hearings already held by House and Senate labor panels testified that although they support the concept of parental leave, they cannot support a federal mandate. "Congress is forcing its judgment onto the employer-employee relationship," said a representative from the National Federation of Independent Business, who argued that these bills "usurp the ability of the small business owner to make decisions critical to the operation of the business."

The National Restaurant Association has also expressed concern that the federal government assumes it knows what is best for workers. It argues that the proposed mandates would set precedents for future government intrusions into business, including the possibility of paid parental leave.

DC ROUNDUP

☐ **Business meal on hit list.** Cutting the business meal deduction to 50 percent is on the Congressional Budget Office (CBO) list of 27 items legislators can turn to when trying to reduce the annual deficit. According to CBO, reducing the deduction from its current 80 percent level would yield $15.5 billion over five years.

Also on the list are an increase in alcohol excise taxes, an increase in the top marginal corporate tax rate, an employer-based tax on the value of fringe benefits they provide and a boost in the wage base on which employers pay federal unemployment taxes.

The National Restaurant Association has already mounted a major campaign to guard against any further erosion of the business-meal deduction.

☐ **Federal contractors face new drug-free workplace rules.** All employers awarded federal contracts of $25,000 or more after March 18, 1989, must adopt and maintain strict policies to keep their job sites free of drugs. Failure to comply may mean forfeiting all future government contracts.

☐ **Association protests panel's makeup.** The National Restaurant Association filed comments with the U.S. Department of Health and Human Services (HHS) protesting the restaurant industry's exclusion from the Surgeon General's Workshop on Drunk Driving. "As a leader in the fight against drunk driving, we believe we have much to offer," association president Jim Peterson told HHS.

The workshop's December recommendations included calls for stricter state dram-shop laws and a proposal to eliminate the deductibility of alcohol consumed during business meals. Surgeon General Koop has not yet said how he plans to use the workshop's recommendations.

☐ **Ban on equipment giveaways proposed.** Sen. Daniel Inouye (D-HI) has introduced a bill to prohibit large soft-drink manufacturers from giving restaurateurs beverage dispensing equipment for little or no charge.

Inouye and other critics say S. 114 will prohibit "monopolistic and anti-competitive" behavior that forces purchasers to buy the manufacturer's syrups, hurting soft drink competitors as well as those who sell the dispensing equipment.

The National Restaurant Association opposes Inouye's bill because it restricts a legitimate business promotion.

☐ **Bigger tax break for health premiums offered by unincorporated companies.** House Small Business Committee Chairman John LaFalce (D-NY) says it is unfair that corporations can deduct 100 percent of health-insurance premiums but owners of unincorporated businesses are limited to a 25 percent deduction. A new LaFalce proposal, H.R. 694, boosts the deduction for unincorporated businesses to 100 percent, hoping to spread health-insurance coverage to more small-business employees.

Meanwhile, other legislators are working to guarantee that the 25 percent deduction does not expire at the end of 1989, as scheduled. Rep. Jan Meyers (R-KS) has introduced H.R. 595 to make this deduction permanent.

☐ **Congress may look into solid waste.** Speaking to a small group of foodservice lobbyists on February 21, Sen. John Chafee (R-RI) predicted that Congress will be forced to find ways to reduce the volume of trash now straining the nation's landfills.

Federal action may not come this year, but will occur in the near future, Chafee predicted. He named packaging taxes and mandatory recycling as two options Congress may consider. Chafee is the ranking Republican on the Senate Environment and Public Works Committee, the panel that would be charged with studying the issue.

BOARDROOM

by Paul Moomaw

Gescheidle: The foundation's new boss looks ahead

Daniel Gescheidle is the new president of the Educational Foundation of the National Restaurant Association. He has assumed the reins at a time when education and training are crucial to the future of the foodservice industry's labor force. Armed with new ideas and a longtime commitment to education, Gescheidle is preparing to lead the foundation through a period of new growth.

"We are going to be more customer-service-oriented with our product," says Daniel Gescheidle, a foodservice executive for most of his career. The product he is talking about is not food, however. The product is education, and the customers are foodservice professionals.

Gescheidle, who has been president of the Educational Foundation since January, has worn many hats in the industry, including that of a manufacturer, operator and distributor. After working for Procter & Gamble and serving as president of Morton Salt Company, Gescheidle joined Don Roth's Restaurants in Chicago, where he was a partner and the company president. Most recently, Gescheidle was executive committee chairman of ComSource, the largest independent foodservice distribution organization in the country

With the ComSource headquarters moving to Atlanta as the result of a merger, Gescheidle saw heading the Educational Foundation to be a timely challenge. "I was not going to move to Atlanta with the company," says Gescheidle, who lives in a Chicago suburb, "so this came about at a good time for me."

Gescheidle is not new to the field of education nor to the Educational Foundation; he served as a vice chairman of the foundation before assuming the presidency. Gescheidle is also a former chairman of the International Foodservice Manufacturers Association (IFMA), where he was a founder and chairman of the IFMA Educational Foundation. Gescheidle is a trustee emeritus of the Culinary Institute of America, and he has served as president of a local school board in Glencoe, Illinois. "I've always had that inclination," says Gescheidle of his propensity for getting involved in education projects.

The foundation restructures

The Educational Foundation of the National Restaurant Association was formed in 1987 when the association's educational programs department was consolidated with the National Institute for the Foodservice Industry (NIFI). Now a further consolidation has been completed. The foundation's Washington and Chicago offices have been united into one office in downtown Chicago. The restructuring poises the foundation for the changes it must make to meet a growing demand for education, training and image-building materials.

Before the restructuring, says Gescheidle, "we were two separate organizations going in two different directions. The National Restaurant Association's Educational Programs Department was providing seminars, videos and learning materials, basically as a member service. At the same time, NIFI was educating people in foodservice sanitation. Meanwhile, no one was really saying, 'What does the industry need overall from an educational standpoint?' That's exactly what we're doing at the Educational Foundation. We're approaching it from an operator's standpoint."

Also within the scope of the Educational Foundation's activities are scholarship programs, the national conference series, scholarships for hospitality-industry students and career materials for high school students. "We've got more on our plate than we can eat, so to speak," says Gescheidle, emphasizing that many of the foundation's new initiatives are still in the planning stages. "It's a matter of making some choices between programs that will result in the best overall 'meal.' We'll be adding a number of new programs,

updating others. The question that remains is how we will prioritize things. We have to identify where the holes are, in terms of education," says Gescheidle.

A key element in the foundation's focus will be creating new and better ways to market existing educational programs. Gescheidle believes that the unique educational demands of the foodservice industry must be catered to. "Cost and ease of delivery are important," says Gescheidle, referring to the importance of providing educational resources that restaurant industry professionals can use easily. "No restaurant owner can afford to take several months off for education, and no owner can afford to send his manager away to school for several weeks. That's just the reality of this business."

Targeting managers

Gescheidle feels that the best way for the foodservice industry to obtain a well-trained labor force is to have well-trained managers. "Our main focus is on the professional manager. It's important that we train our managers. They, in turn, will be training many others," he says.

Paul Moomaw is a communications specialist at the National Restaurant Association.

"In order to get a curriculum together, we had to study the job of the professional manager. We've done that study. We know what the manager needs to know. Now it's just a matter of finding the best way to deliver that product," says Gescheidle. A cornerstone of the new emphasis on the professional manager will be the "Management Standard Program," in which a national standard will be set for measuring the performance of individual managers.

> ***"Our main focus is on the professional manager. It's important that we train our managers. They, in turn, will be training many others."***

Image enhancement

Gescheidle also recognizes the role the Educational Foundation can play in improving the image of careers in the foodservice industry. "That's definitely something that needs to be done. I've been involved for some time with a program called Careers For Youth, here in Chicago," says Gescheidle. "This program reaches out to young kids, as young as sixth grade, using role models from our industry. I think this is the wave of the future: discussing our industry in a careers format and bringing it right to the children, right in their schools, telling them about the opportunities for a career in our industry.

"Through this program, we've reached 30,000 students in Chicago, most of them inner-city minorities. We've shown them a film—the association's 'Ours is a Special World' film—and had presentations by 145 role models who put together an hour's talk simply describing their job and what they do. We get role models all the way from a sous chef to a man who delivers pizzas. The pizza deliverer talks about how important it is to the success of his company to get that pizza delivered on time. Believe me, he will have your eyes watering by the end of his talk; he's one of our best speakers."

In addition to reaching out to youngsters, Gescheidle adds that it's important to convince parents that the foodservice industry is a good place for their kids to work. "You need to win over the parents. They may say, 'I don't want my kid washing dishes,' or 'I don't want my kid wearing a funny hat.' They say those things because those are the only jobs they've ever seen in foodservice," says Gescheidle.

"They don't realize what is out there, and that's what we have to show them. You have to get to children and their parents early, and you have to show them a career path. Until you do, that family doesn't have respect for the industry. At our Careers For Youth program, we invited the parents to come with their children. By the end of the day, several mothers had come forward asking for information about jobs in the industry for themselves."

A foundation for the future

As more and more foodservice analysts warn of an impending labor shortage, the training, recruitment and retention of employees is becoming crucial to the future of the industry. The Educational Foundation, with Daniel Gescheidle at the helm, is working to train employees better, educate students and enhance the industry's image.

Winter board meeting report

The National Restaurant Association's board of directors held its annual winter meeting in Naples, Florida, in February. New developments resulting from the meeting include:

☐ The formation of a Mandated Health Benefits Task Force to plan further research, communications and legislative strategy in support of the industry's lobbying campaign against any mandated-health-care proposals.

☐ Two objectives for 1989 regarding the business-meal deduction: (1) to preserve and protect the business meal from further erosion and (2) to restore the deduction to 100 percent. As a related project, the association will produce a videotape on the business marketing meal that will demonstrate how to conduct a successful one-on-one business meeting over a restaurant meal. The videotape will be distributed through the American Marketing Association, the Sales Marketing Executives International Association, state associations and various other groups.

☐ New joint membership agreements with three state restaurant associations: the Arizona Restaurant Association, the Kansas Restaurant Association, and the Vermont Lodging and Restaurant Association.

☐ In January 1990, the association will participate in the annual International Food Editors Conference, a meeting of food editors and restaurant reviewers that draws more than 200 participants each year. The association will sponsor the opening banquet of the meeting and then present a "state of the foodservice industry" report the following day.

☐ A forthcoming report on tourism from the association's research department will include practical information on how to attract foreign tourists, especially those traveling in groups.

☐ Technical services will initiate two research projects in the coming months: The first will measure the effectiveness of hand-washing, hand sanitizers and disposable gloves; and the second will survey member restaurateurs about the performance of foodservice equipment.

☐ State relations reported that packaging, mandated health benefits and a proliferation of local ordinances, including total bans on smoking in restaurants, will be prominent issues in the 1989 legislative year. The department will continue to develop its grassroots program, which now includes more than 700 restaurateurs who serve as Key Contacts for members of Congress. ❑

Analysis

WHERE ARE THE "MOMS AND POPS"?

Owning a restaurant is the quintessence of the American dream for many. But as restaurant franchises become increasingly sophisticated, competitive and expensive, the "mom-and-pop" franchisees are being squeezed out of that dream by escalating real estate and equipment costs. Is the American dream slipping from the grasp of the would-be small restaurant franchise owner and into the hands of investor groups? Probably not, but the typical franchisee is changing.

by Marcia Hibsch Coppess

Although single-unit ownership is still the backbone of the restaurant industry, according to franchise consultants, long-established franchisors are leaning toward more experienced buyers who have the knowhow and wherewithal to survive the competitive times of an increasingly saturated market.

Two decades ago, the cash investment in an Arby's franchise was about $50,000, including the property and a down payment on equipment, says Ken Franklin, president of Franchise Developments, Inc., a Pittsburgh-based franchise consulting firm. Today costs can approach $1 million. Real estate represents the bulk of the investment. But the buildings are also larger and more complicated, and the menus have expanded. Instead of walk-up locations, the restaurants seat 100 people; instead of one oven and a grill, they feature enough equipment to prepare chicken, fish, burgers, and the variety of side dishes and salads now being offered.

Arby's is not alone in the crescendoed startup costs. Overall, the cost of food franchises has risen from tens of thousands to hundreds of thousands of dollars in the last 20 years, says Franklin.

Thus, the traditional franchise owner seeking a modest entry into the restaurant business—whether a couple, an early retiree or a lone wolf—is often eliminated from established franchise systems merely by the prohibitive investment required.

A new kind of franchisee

A new kind of franchisee is emerging—the small-business investor. The difference between the traditional franchisee and the small-business investor is that the first is looking for a job; the second is looking for an investment *and* a job. Franchise investors typically have 10 or more years' experience in business and a net worth that exceeds $250,000. They are able to offer $100,000 or more in cash, plus enough equity in other possessions to finance a similar amount. More important, they have enough business experience to move within the system while operating in it autonomously. Even today's "moms and pops" probably learned the rules of business in the corporate world before plunking down their investments for their piece of the American pie.

"As the gap widens between the rich and the poor, I think we'll see franchising experience even more popularity," says John Campbell, CEO of Franchise Masters, a management consulting and franchise development company based in Minneapolis. "A lot of very qualified business people and mid-management types have received pink slips and severance pay in recent years. They are 40 to 50 years old, with 20 years of business experience. They aren't as marketable in business as they would like to be, but they are more than qualified to run a small business. When they buy a franchise,

Marcia Hibsch Coppess is a freelance writer in Pasadena, California, who writes frequently for ***Restaurants USA.***

Ruth Solair Keller

in effect, they invest their nest egg, buy themselves a job for life and keep the standard of living they had before."

Young people, too, are changing their aspirations. In past generations young people might have had the energy and drive to work long hours to build a small business from one franchise unit. But Franklin of Franchise Developments, Inc., is seeing a new kind of youthful entrepreneur. When he acts as a guest instructor to a class on entrepreneurism at Carnegie-Mellon's graduate business school, students no longer ask how to get started and build a business.

"They want to know how to get in early, buy the rights to a territory, then sell out," he says. "They care about maximizing profits, not whether they are selling food, paper clips or computer stores. It's not the nest egg/family business built on pride and hard work. It is a different operating effort, with an emphasis on short-term involvement with maximum return."

Franchisors motivated by growth

At the same time, franchise companies are becoming less interested in the individual owner as their need to grow in the competitive fast food segment intensifies.

"The good news is that neither Subway Sandwiches nor Domino's Pizza—the top two food franchise systems in the nation—encourage investors," Campbell points out. "But the really big fast food chains—McDonald's, Burger King, Kentucky Fried Chicken—look for investors, not mom-and-pop franchisees."

A common strategy among franchisors today is to sell territory rights rather than individual franchises, Franklin explains. "If you try to grow by selling individual units, you'll be too slow to get a piece of the market," he says. "But if you find one person with the money to buy an entire area, you can open lots of locations quickly, co-op the units' money to buy television ads and supplies, and enjoy growth, profit and a chance to compete with the big guys faster."

The problem with this approach, unfortunately, is that the owner—often a group of cash-rich and time-poor investors—ends up being an absentee landlord, sometimes more concerned with the return on profit than with customer service, food quality and other day-to-day issues that spell long-term success. These priorities can hurt the chain's image.

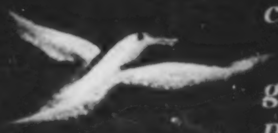
As the silent partner in some restaurant franchises and a consultant to franchisors, Franklin sees both sides of the problem. "It can cost $700,000 to $1 million to buy a fast food franchise in a good location," he says. "If you have that kind of money, you're probably not someone who will be happy managing a bunch of hamburger slingers or waiting on customers. You're likely to be a businessperson not a restaurateur. But you're not necessarily going to be the best long-term owner for the franchise.

Franchise companies are becoming less interested in the individual owner as their need to grow in the competitive fast food segment intensifies.

"Meanwhile," he adds, "the parent company is torn between wanting to grow and needing the big guy's funding, but wanting and needing a small owner willing to work to build the reputation of the chain."

Some franchise companies are trying to strike a balance between entrepreneur owners and pure investors by courting established franchisees looking to expand into new franchises. Campbell illustrates with the case of a client who is franchising a successful restaurant concept—Hacienda Mexican Restaurants—in a five-state area. The four partners of the South Bend, Indiana-based company are targeting current fast food investors to buy locations in their areas.

"They theorize that a successful owner will have learned the vagaries of that market while building his first chain, so success with a second chain is more likely," says Campbell. "In exchange, the franchisor can offer the prospective franchisee an opportunity to expand within his saturated market without competing with himself."



"If you find one person with the money to buy an entire area, you can open lots of locations quickly, co-op the units' money to buy television ads and supplies, and enjoy growth, profit and a chance to compete with the big guys faster."

Where are the moms and pops?

So where are the moms and pops? You can still find them in established franchise companies that specifically structure their systems to accommodate individuals with little or no restaurant or business experience. Subway and Domino's are the two best examples. Beyond those exceptions, however, the little guys of the franchise market usually invest in fledgling chains that need money, want to grow and don't have enough clout to be choosy.

"Back in the early days of Wendy's, the company sought out moms and pops," notes Campbell. "As the company grew, it became an investor-type franchise company. Investors don't look at new franchises, because the risk is greater and the returns are smaller. It's easier for a small, new franchise to sell to people looking for a living than to those looking for an investment."

If history is any teacher, fledgling chains are either gobbled up by a larger competitor or grow until they and their franchise fees are beyond the reach of the next group of small entrepreneurs.

The traditional franchise owner seeking a modest entry into the restaurant business is often eliminated from established franchise systems merely by the prohibitive investment required.

Some franchise companies are trying to strike a balance between entrepreneur

owners and pure investors by courting established franchisees looking to expand into new franchises.

Heidi Miller, president and founder of Heidi's Frogen Yozurt Shoppes (yes, that's the name) in Laguna Hills, California, admits that her company has changed focus as it has grown. "Traditionally, moms and pops are passed down through less-experienced chains," she says. "In our formative years—when we had only 15 shops—the only people we could attract were the mom-and-pop types. Now that we're 200 units strong, we're looking toward professional businesspeople."

Heidi's now sells territories to investor groups, she adds. "Moms and pops tend to be entrepreneurial, and that makes it difficult to run a system," she explains. "We want business-minded investors with a professional approach to the company. They understand the contracts and operating systems."

The "darling" of the moms and pops

Subway Sandwiches in Milford, Connecticut, grew by 193 percent between 1987 and 1989. Cofounder Fred DeLuca, who started the company in 1965 at 17 with $1,000 borrowed from a neighbor, champions the little guy's opportunity to build an empire on small business.

Mom-and-pop investors are attracted to Subway by the initial investment, kept low by storefront leases in strip malls and shopping centers, and by Subway's leasing equipment to franchisees. Startup costs are about $40,000, with roughly $25,000 in cash.

Subway's growth, though well-managed and seemingly well-controlled, is so rapid that even the man who supervises franchise sales sometimes loses count of the number of stores open. When asked the current number of franchise outlets, Subway Director of Marketing Dick Pilchen leaves the phone for a moment, calling out to a nearby assistant, "Hey, how many stores did we open last week while I was away?"

Pilchen is excited about a new freestanding concept being built in the state of Washington and looks forward to additional advertising dollars from increased units in the future. Do a new concept and an increased advertising budget mean that an increase in franchise fees is on the horizon for the current darling of the small investors?

Pilchen laughs. "I've been trying to raise franchise fees for five years," he admits. "Fred won't hear of it. He says that we're the most successful franchise ever, so why tamper with success—how can I argue with that? But it drives me crazy!"

Moms and pops maintain newness

Campbell watches Subway's growth from the sidelines and sees history repeating itself. "Someday Subway may become what McDonald's was 20 years ago," he says. "But then some other guy will come along and court the little investors. There will always be an entry for the mom-and-pop investors. And there will always be someone with a niche for them. That's the way the restaurant business works, and I don't think any of us can change that." ❑

TIME TO FRANCHISE?

How to Take Your Business from Flagship to Franchise

by Kevin McLaughlin

“Business is booming! And it has been for the past three years.” If you can look yourself straight in the mirror and say this aloud, then you have met the first criterion for considering franchising your business.

“I usually advise being in business at least three years, the optimal period in which to work the kinks out of your business system and perhaps test the concept at additional locations,” says franchise attorney Steven Raab in his book *Blueprint for Franchising a Successful Business.*

Clarifying what a franchise is will assist you in determining which route to take. In a nutshell, franchising is a method of doing business by which the franchisor (the parent company) grants the franchisee the right to engage in the business of offering, selling or distributing goods or services under a marketing plan or system prescribed by the franchisor. The franchisee pays an initial fee and ongoing royalties. The trademark and operating instructions are granted to the purchaser for a set number of years.

There are three basic kinds of franchises: (1) trademark and brand-name franchises; (2) product distribution franchises; and (3) entire business format franchises.

The most popular type is the entire business format, in which a franchisee is able to replicate the business of the franchisor in a different location, using the franchisor's marketing plan, logo, trademark, training materials, training procedures, formulas, accounting procedures and operational procedures.

Two other factors affect the suitability of your *entire business format* as a likely prototype for other profitable businesses: (1) whether your prototype is typical; (2) whether it can be duplicated.

For example, a firm selling high-altitude baking equipment in Denver is atypical. To be effective, the prototype business should give a realistic indication of what potential franchisees can expect in numerous locations. Overspecialization certainly does not lend itself to franchising.

Duplicity refers to how easily the prototype can be duplicated—from both an economic and a practical standpoint.

There should also be a point of difference between your prototype business and other businesses in the same industry. You can't simply open a hamburger franchise that is exactly the same as McDonald's. The problem is not that you are infringing on McDonald's' rights in a legal sense; it's a problem of market mix. Your business must have some point of difference from existing franchisors in the field. Your product has to be bigger, better, fresher, juicier or cheaper—in some way distinguishable from everything else on the market.

Once you've passed this double-edged sword (duplicity and typicality) to determine whether your business concept is simple enough to be mastered by the average person on the street, then consider whether the job functions can be standardized. Future employees need to succeed at a defined position with a set number of procedures and methods. The inexperienced manager must be able to follow the management guidelines spelled out in an operating manual. If your business concept is too involved for straightforward, easy descriptions in everyday language, then perhaps it is out of the range of the rookie business manager.

Next, you need to be able to train franchisees properly and within a reasonable amount of time. What is a reasonable time for training? Any system that requires more than eight weeks to master may be too overwhelming for an unskilled worker.

Other alternatives for expansion

If your business category does not meet these initial criteria, don't despair. There are other means of expanding your business. In the second type of franchising, *product distribution,* a franchisee is given the right to distribute a certain product—such as bottled salad dressings—within certain geographical areas or under certain terms. Of course, it would be senseless to consider opening fran-

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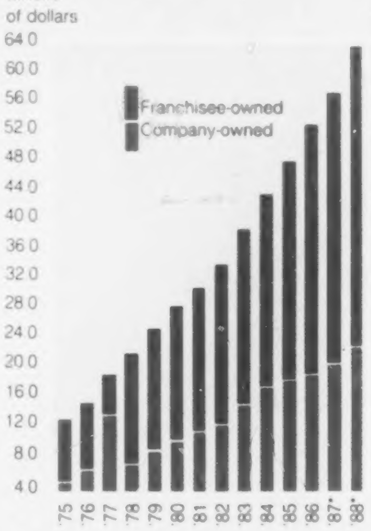
Kevin McLaughlin is a staff writer for Entrepreneur *magazine.*

Franchise restaurant sales, 1975-1988



*1987 and 1988 sales estimated by respondents

Source: *Franchising in the Economy, 1986-1988*

chises selling only one item. However, the manufacturers might be on a path of gold if they were to distribute these products through established marketing channels. Abandoning the vision of building an exclusive marketing system can pay off.

In the third type of franchise, an individual pays for the right to use a *trademark and brand name*. Essentially, the franchisee is buying the right to be associated with the franchisor's (that is, the parent company's) trademark, name, logo and/or advertising.

Profit: the bottom line

Having determined which broad category your business potentially falls into, there are further considerations before you take the franchising step. First, your business must be a profitable one. Most people who want to buy a franchise are going to leave their current vocation and can't afford to be out of work for more than two to four weeks.

Second, your business should be an adaptable one that will meet with wide public acceptance. Franchise attorney Raab states, "Complexity undermines the prospects of franchising success. The simpler your business or idea, the greater the chances of having profitable franchises."

Likewise, you should consider whether you and your organization have the business, technological, financial and human resources to expand. At the heart of any successful franchise is a sound business system. Do you have the necessary computer and software systems in place to operate multiple locations?

Do you have the funds to continue running your prototype operation while tackling new programs? Frequently firms are undercapitalized to handle the startup costs of the franchise program and to cover the operating losses that will be incurred during the initial phases of franchising. Solid break-even projections will demonstrate the point at which monthly royalty fees more than pay for monthly expenses. Do not make the mistake of relying on initial franchise fees to cover the business's everyday bills.

Human resources are necessary to handle the vast range of commitments to marketing, administrative, training, financial and legai skills required to support a strong franchise program. Do you have the staff to handle the extra work?

An often-overlooked primary ingredient is communications. Implementing written and verbal communication channels after the fact is of little help.

Having determined that your business meets all these criteria, you can get down to the nitty-gritty of legally establishing your franchise.

Forming a franchise

Suppose you determine that your business has the necessary characteristics for franchising. In starting a franchise, you need to allocate eight to 12 months' minimum lead time to take care of these necessary steps:

☐ Organization and tax planning

☐ Trademark registration

☐ Qualification of foreign or domestic corporations in states of activity

☐ Development of franchise documents and compliance with state registration requirements and state and federal disclosure requirements and

☐ Compliance with other state and federal regulations of the particular industry involved.

Franchising is a legal business structure that is surrounded by a number of rules and regulations. For example, the Federal Trade Commission (FTC) has established a number of regulations requiring pre-sale disclosure of certain specific information.

In considering the franchise relationship—and inevitably, the regulation of franchising in the United States—two issues are important: (1) the extent to which the franchisor controls the franchisee and (2) disclosure by the franchisor of all aspects of the franchise and the franchisor's operation.

Franchise-offering information can be found in a number of franchise directories that are published by the government and by sources in the private sector. But franchisors have an obligation to disclose information beyond mere listings in directories and handbooks. Ten days before signing a franchise contract, the franchisor must provide a disclosure statement revealing its financial condition, franchisees' failure rate and any litigation or bankruptcies.

At the first personal meeting between the franchisor and franchisee, the franchisor must supply: (1) the Uniform Franchise Offering Circular, or UFOC, a disclosure document that includes 23 pieces of required information; (2) the franchise agreement and related agreements and (3) an earnings claim document, if the franchisor makes any claims about potential sales.

The franchise agreement is the foundation of a strong franchising network. This document ensures uniformity, establishes standards of operations and eliminates uncertainty. However, be warned that trying to create your own franchise agreement using textbook forms or do-it-yourself contracts inevitably meets with disastrous consequences. Drawing up a legal document is a legal job. Seek out an experienced franchise attorney who understands the full ramifications of your state's franchise laws.

A 100 percent commitment

Franchising does have its advantages, but with it comes an enormous burden of organization, planning and hard work. As successful franchisors point out, in order to succeed in franchising, you have to love your business, feel in your bones that what you're doing is important and then commit to it 100 percent. ❑

Excerpted with permission from Entrepreneur *magazine, January 1989.*

CALLING IT QUITS

Bob, the restaurant manager, arrives at 3:30 p.m. to begin his shift. He's still a bit tired from the previous evening, when a misplaced credit voucher kept him up until 2:30 a.m. trying to justify the night's accounting. As he goes toward the office to check in with the day manager, Bob is summoned by the chef to settle an argument between the prepman and the dishwasher.

When Bob comes to the floor, he finds that one of the waitresses is 45 minutes late. Just as he's dialing her phone number, in she strolls. "Sorry," she says. "Had to find another babysitter."

Before the restaurant closes at 11:30 that night, Bob has two other minor emergencies: explaining to an angry group of six, who made reservations for four, why they have to wait for a table, and calling a cab for a bar customer after convincing him that it might be a good time to go home.

But the day's not over. Now it's time to do the ordering. As he begins, Bob discovers that the day manager did not order meat for tomorrow's day shift. Frantically, Bob calls other suppliers to locate enough meat to make it through the day. Finally, after checking out the last of the kitchen workers, Bob heads for the office again. It's almost 12:30 a.m., and he hasn't even begun the night's paperwork. Tomorrow evening, Bob realizes, he will have to do it all over again.

Max Karl Winkler

Why Restaurant Managers Leave Their Jobs

With all the stressful details that make up a manager's job, it's no wonder that many restaurant managers throw up their hands in frustration.

What causes job discontent?

According to Alice Elliot, president of Elliot Associates, Inc., a mid-management executive-search firm in Tarrytown, New York, some factors contributing to job dissatisfaction are inadequate or ineffective communication, including no job descriptions and lack of performance reviews; long hours; noncompetitive salaries and compensation packages; and not being able to participate in the company's entrepreneurial spirit.

Indeed, restaurant owners and managers agree with most of the reasons cited by Elliot.

☐ **Poor communication.** Tops on the list for many is poor communication between managers and their superiors. National Restaurant Association Past President Walter Conti, owner of Conti's Cross Keys Inn in Doylestown, Pennsylvania, and the Pipersville Inn in Pipersville, Pennsylvania, says that many managers get depressed because they can't see that their efforts have been successful because supervisors are not giving much-needed feedback.

Regular feedback on performance and honest communication about chances for advancement can go a long way toward preventing dissatisfaction. "Many times, a supervisor will just say two to three words in passing to a manager," laments Mark Carneal, director of human resources for El Torito Restaurants, headquartered in Irvine, California. "You have to sit with managers for at least five to 10 minutes to tell them what is needed and to show an interest in them." And that should be uninterruptable "hassle-free" time. Otherwise the message can get garbled.

Communication is more than a means for the supervisor to stay in touch, however. Managers must also be given an opportunity to express what's on their minds. If they are given an organized way to vent frustrations and concerns, anger leading to burnout can be averted.

In fact, the communication problem is believed to be so critical that the Marriott Family Restaurants in Braintree, Massachusetts, holds frequent meetings, or "dialogs," that involve all levels of management. These dialogs enable managers to air their frustrations as well as answer questions raised by colleagues. In essence, they function like support sessions.

☐ **Quality-of-life issue.** Another great concern is the quality-of-life issue, which goes hand in hand with the number of hours that managers are expected to work. "In the 1960s, 80 to 90 percent of restaurant managers were single," says El Torito's Carneal. "In the 1980s, we are dealing with 80 to 90 percent of the managers having a family. They now have more to do," he says. And even younger managers have a value system that places a higher premium on nonwork activities.

Some companies are beginning to take these changing needs into consideration by cutting back employee hours, and the result has been reduced management turnover. Deborah Hollis, director of employment and personnel at Hardee's in Rocky Mount, North Carolina, notes that the standard work week used to be 58 plus hours. "That meant six to seven days on the job and often 75 hours each week," she says. "Today we offer a 46-hour work week to all management personnel, and, believe it or not, we try to force them to take a Friday, Saturday or Sunday off."

Smaller companies also proudly point to more flexible scheduling programs for managers, as a way of meeting today's two-wage-earner/child-care dilemma. Errant Enterprises, Inc., in Northbrook, Illinois, is now in its fifth year of offering a five-day work week for managers (formerly a six-day work week). "We added extra managers to avoid burnout and not lose good people in management. We realized that if we give people more than one day off a week, although it costs us, in the long run we get very little turnover. Since we started the program, I can't remember that a manager left because of burnout," notes Errant Enterprises President Jim Errant.

☐ **Inadequate compensation and benefits.** Inadequate compensation and benefits are other major problems that cause managers to call it quits. According to the 1988 Job$ Survey compiled by the Bureau of Foodservice Research in Chicago, 20.5 percent of the unit managers responding said they left their last foodservice job for more money, and 42.3 percent said they weren't satisfied with the amount of their last raise. Most general managers of restaurants and fast food facilities start out in the mid-$20,000s if they work in a facility having three to 75 units, reports the *Roth Young 1988 Wage & Salary Review.* That is not enough for a lot of managers. "That type of compensation doesn't match what they're doing, because the responsibilities are unbelievable," says Steve Karpf, managing partner of Nick's Fishmarket in Chicago.

☐ **Poor advancement possibilities.** "In some companies, managers aren't much more than a flunky," notes Emanuel Weintraub of Emanuel Weintraub Associates in Fort Lee, New Jersey. Weintraub, who has been president of his international management consulting firm for 30 years, said if a manager's scope is limited, he or she will seek a place to "spread their wings."

Anthony Navitskis, regional manager of human resources for Marriott Family Restaurants in Braintree, Massachusetts, agrees. That is why the Marriott makes every effort to promote its good managers to the position of district manager. "If the promotions aren't there, then managers will move on," observes Navitskis.

☐ **Fostering the entrepreneurial spirit.** Pizza Hut has put the entrepreneurial spirit to work in its retention plans. According to Roger Rydell, director of public relations for Pizza Hut, Inc., in Wichita, Kansas, Pizza Hut tries to hire individuals who see the position as store manager as the first step on the managerial ladder. "By hiring people with drive and ambition and providing them with financial incentive, we have a program that attracts talented people," explains Rydell. "We get managers to feel that they have part-ownership in the business. If the store succeeds, they will succeed." ☐

Beware of burnout

Burnout is a word used casually these days, but it's not a casual problem. It's a serious condition with concrete, identifiable signs and symptoms. According to Dr. Michael Lauderdale, a social psychologist and burnout specialist, it's important to remember that burnout doesn't happen all at once. It's a gradual process that is often recognized too late—when the destructive symptoms finally surface.

Burnout is more intense than ordinary stress. It occurs when people become exhausted by effort that brings no visible results. In its early stages, physiological signs are frequent headaches, chronic fatigue, an inability to shake ailments, changes in sleep patterns, sudden weight gain or loss, chronic back pain, problems breathing, unusual sweating and undefined anxiety.

Some psychological manifestations are quickness to anger, suspicion of others, cynicism, boredom and—most characteristic—inability to continue working at what one has been doing.

As burnout increases, absenteeism, tardiness and accident proneness go up, work takes longer to complete and may not be done as well, complaints from customers and coworkers increase and there can be evidence of drug and/or alcohol abuse. In short, the once productive and enthusiastic employee can become a liability.

The key to avoiding these problems is to be sensitive to the burnout symptoms and to assist the employee during the earliest stages of the problem.

To keep burnout to a minimum, new managers should be told of a job's challenges so they won't feel guilty about their perceived inadequacies when the pressure increases. They should be given positive support—tell them when a job's well done—and a forum for expressing their feelings. As technology changes, managers need to be retrained, and top management should provide seminars, workshops and retreats away from the organization. These places should have facilities for physical exercise, which is a good outlet for disruptive emotions.

"Foodservice Employment 2000" Report

GOING BEYOND TRADITIONAL EMPLOYMENT SOURCES

Make jobs appealing; take the needs of workers into account, advised panelists Kim McManus of 70001 Training and Employment Institute and Sandra Porter from Wider Opportunities for Women.

Two presidents participated in the symposium—National Restaurant Association President Jim L. Peterson and Elaine Grossinger Etess, president of the American Hotel and Motel Association.

NATIONAL
RESTAURANT
ASSOCIATION

Young Blacks need outreach programs to encourage them to enter the foodservice industry, said Stephanie Robinson of the National Urban League.

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People who need employees and people who need jobs need to talk. That may seem obvious, but it hasn't been happening up until now.

That is why the National Restaurant Association hosted "Foodservice Employment 2000" on January 10, 1989. In attendance were foodservice operators concerned about employee recruitment. Also in attendance were the leaders of associations representing the demographic groups most actively seeking employment—Blacks, Hispanics, displaced homemakers, disadvantaged youth, the elderly and the handicapped. The third category present consisted of vocational educators, the people who advise and prepare individuals entering or re-entering the work force.

Two facts underscored the importance of this conference. First, the U.S. Department of Labor predicts that foodservice will have 1.5 million more jobs to fill by 1995. Second, our traditional source of employees—the teenage population—is shrinking in proportion to the total population.

"To find quality employees, we will have to go beyond our traditional sources," said National Restaurant Association President Jim Peterson, as he opened the conference. "We will have to create new types of programs to attract new types of people."

Discussion at the conference was friendly, but frank. Some of the comments seem obvious in retrospect, but they came as important reminders.

For instance, one speaker pointed out that homemakers returning to the job market will be attracted to employers who help with child care and offer health coverage for employees' children. Since these homemakers are often single heads of households, they need a guaranteed number of hours so that they can make ends meet each pay period.

The elderly will be attracted to part-time work with paychecks that do not imperil Social Security benefits. Those between 55 and 59 look for medical and dental coverage, and despite common assumptions, the elderly are interesed in positions that offer advancement.

Disadvantaged youths, on the other hand, do not regard foodservice as a source of advancement. Only by presenting role models who embody upward mobility in the industry can we convince disadvantaged youths that our industry will lead them to a better way of life.

Other comments were even more thought-provoking. For example, representatives of the Black and Hispanic communities see their constituencies held at entry-level jobs and being passed over when better positions open up. Women, on the other hand, believe that they are held at mid-level jobs and are not readily promoted into top management.

Are these allegations true? Conference attendees agreed that it doesn't matter. Such perceptions, accurate or not, need to be corrected if the industry is to draw the right kind of people into its ranks.

But "Foodservice Employment 2000" was not a one-way conversation. Representatives of companies already involved in innovative recruitment had their say, too. They described a great variety of benefit packages, support programs and training programs that have been introduced to meet the needs of various labor pools. The programs described ranged from Burger King's day care for working mothers to McDonald's' McMasters Program (for the elderly) to the Balsams' Project Rebate (Re-enter with Basic Academics and Training into Employment).

Despite the variety of approaches, all the programs had one thing in common: They involved an assessment of the needs of a target employee group and the development of an activity to meet those needs.

A listing, together with brief descriptions of these and other model employee programs, was distributed during the conference. Repackaged as a "Current Issues Report," the same information was mailed to the membership in February.

"We have begun a dialogue with potential employees that will help us offer the right premium to the right applicants," said Peterson following the conference. "No one who attended 'Foodservice Employment 2000' will go about recruitment in quite the same way."

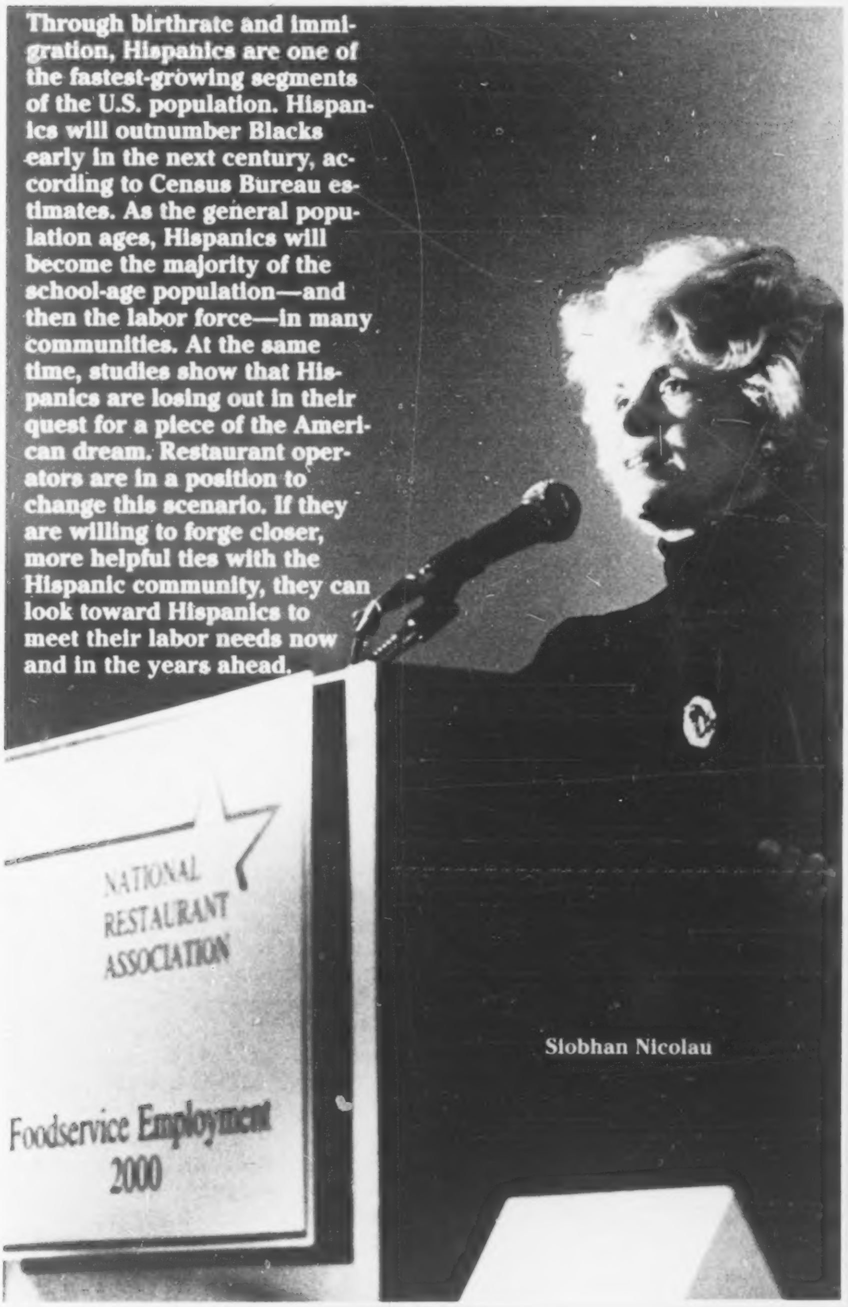
—Jeffrey Prince

Editor's note: The full transcript of the conference will be available for sale in April through the association's publications department.

by Siobhan Nicolau

FORGING CLOSER TIES TO HISPANICS

Through birthrate and immigration, Hispanics are one of the fastest-growing segments of the U.S. population. Hispanics will outnumber Blacks early in the next century, according to Census Bureau estimates. As the general population ages, Hispanics will become the majority of the school-age population—and then the labor force—in many communities. At the same time, studies show that Hispanics are losing out in their quest for a piece of the American dream. Restaurant operators are in a position to change this scenario. If they are willing to forge closer, more helpful ties with the Hispanic community, they can look toward Hispanics to meet their labor needs now and in the years ahead.



Siobhan Nicolau

Hispanics: the facts

The Hispanic population in the United States is composed of distinct groups who trace their roots to Mexico, the Caribbean, Central America, South America and Spain. There are great diversities within and among these groups, but in a number of respects their overall statistics can be distinguished from those of other groups in the U.S. population. Here are some facts about Hispanics, based on recent government reports:

☐ In March 1987, Hispanics numbered 18.8 million, or almost 8 percent of the U.S. population. Mexican Americans constituted 63 percent of the Hispanic population; Puerto Ricans, 12 percent; Central and South Americans, 11 percent; Cubans, 5 percent; and other Hispanics, 8 percent. (These figures do not include the 3.27 million people who lived in Puerto Rico as of 1986.)

☐ Hispanics are the youngest population group in the nation, with a median age of 25 years, as compared to 32 for the general population.

☐ Hispanics are the nation's most highly urbanized population, with 88 percent living in metropolitan areas.

☐ Hispanics are highly concentrated. About 75 percent live in five states: California (33 percent), Texas (21 percent), New York (11 percent), Florida (6 percent) and Illinois (5 percent).

☐ Hispanics comprise more than 10 percent of the population in five states: New Mexico (37 percent), Texas (21 percent), California (19 percent), Arizona (16 percent) and Colorado (12 percent).

☐ In the year 2000, just 11 years away, Hispanic youth, ages 15 to 24, will constitute 14 percent of the total youth population. Some states will have much higher percentages.

☐ The Hispanic population is expected to double within 30 years and triple within 60.

There are 20 million Hispanics in the United States today. As the rest of the country is aging, Hispanics are getting younger. One-half of the Hispanic population is below the age of 25; one-third is younger than 18.

Hispanics are geographically concentrated in five states: Florida, New York, Illinois, Texas and California. About 37 percent of the entire Hispanic population in the United States is located in the metropolitan areas of those states. In addition, there are sizable numbers of Hispanics in southern Colorado, northern New Mexico and Arizona.

Hispanics: the future labor pool?

In these major U.S. markets and regions, Hispanics will represent a considerable portion, sometimes the majority, of the future potential labor pool, because the Anglo population is aging and the overwhelmingly youthful Hispanics are moving into their productive years. The good news is that Hispanics are very eager young workers. They work more hours while they are going to school than any other group in the United States. In fact, more young Hispanic males hold down full-time jobs when they are in high school than any other group in the United States. In addition, Hispanics tend to marry very early and thus tend to assume adult responsibilities early. Therefore they tend to be, though young, a very responsible group.

The bad news is that Hispanics are very poor. In 1985, Hispanics became the poorest minority population in the United States, with the lowest weekly wages of any major group in the labor force. In 1988, Hispanic per-capita income was $6,613, compared to $6,840 for Blacks and $11,671 for Caucasians.

Katherine Lambert

Hispanics have low educational levels as well. Sixty-five percent of Hispanic students are leaving high school early or graduating with inadequate literacy and computation skills. This affects how Hispanics can be integrated into the work force. Fortunately, some U.S. corporate leaders have recognized that the development of Hispanic human capital is key both to the future health of Hispanic communities and to the health of regional economies.

Together and separately, corporations are working to identify strategies and programs that can increase Hispanic opportunities and options in elementary school, high school, entry-level employment—*that crucial first job*, college, graduate school, and finally, recruitment and advancement in professional positions.

It is important to understand that the underrepresentation of Hispanics on managerial and technical career ladders is in part a reflection of the small numbers of Hispanics who take the requisite math and science courses that could prepare them for business schools. Historically, college-bound Hispanics have opted for careers in education and social work, familiar fields in which they have role models. Or they have dreamed of medicine and law, professions that are held in high community esteem. Surveys have shown that Hispanic students—even those in academic tracks—have little understanding of what corporate management is all about. Role models are few, and so the corporate world does not become part of the Hispanic reality. Model programs demonstrate that this perception can be changed.

Moreover, contrary to the common stereotypes, the majority of the young Hispanics are native-born, which means they are English-speaking. Those who immigrate to the United States learn English as rapidly as any other immigrant group has done. Because of ongoing immigration—estimated to be a net 250,000 from Spanish-speaking countries each year—Hispanics tend to maintain Spanish

Siobhan Nicolau is president of the Hispanic Policy Development Project and was a panelist at "Foodservice Employment 2000."

longer, but they learn English. Therefore, language is not a barrier to their working in the mainstream.

Foodservice has image problem

Most Hispanics in the restaurant industry have filled lower-level jobs. As a consequence, the industry does not have a very good image with most Hispanics. It is seen as offering minimum pay and scant opportunities to move out of the bottom. In part, that has stemmed from the low education levels of many Hispanic workers; in part, it's been because little effort has been made to create career ladders for those Hispanics who were better educated or for those who wanted to increase their skills.

On the other hand, a very interesting report prepared by the National Institute for Work and Learning pointed out that Hispanics, unlike other young people in fast food, said that they would like to make a career of the food industry if only they could see that careers existed. Young people entering the restaurant industry need career ladders. They have to see that there's light at the end of the tunnel and that they can earn a decent wage. They need benefits, and because of the educational problems and the high dropout rate, they need ways to earn a living while they learn. They need mentoring. They need personal attention. They need training. I guarantee that if the foodservice industry takes these steps, if it reaches out, creates communication linkages with Hispanic families, the professional schools, the colleges, the high schools and the middle schools, it will build a very loyal, stable work force that will allow it to maintain the quality of its products and the quality of its services.

Many corporations outside the foodservice industry are dedicating major resources to enlarging and preparing the future pool of candidates for staff positions. Although the spectrum of successful programs is broad, all share most of the following key elements:

☐ the personal commitment and concern of top-level corporate management

☐ a sustained corporate commitment to improving the quality of publicly funded education and training institutions

☐ the active participation of corporate staff members in key aspects of program design and implementation

☐ hands-on personal involvement with Hispanic youths and their families

☐ cooperation and interaction with education and employment institutions and Hispanic community groups and leaders

☐ a sustained corporate commitment to attracting and training the corporation's own workers at all levels and

☐ a sensitivity to the family needs of workers, such as child care and transportation.

Loyal, stable workers can be yours

If the restaurant industry follows the lead of such initiatives and makes an investment in human capital, it will find that the Hispanic community represents a source of loyal, very stable workers who want to stay. I believe such an effort will pay handsome dividends to the foodservice industry and to the nation as a whole. ☐

Reaching Hispanic Markets

As the general population ages, Hispanics will become the majority of consumers in many urban markets and a rising percentage of the population in many other parts of the nation. The future and prosperity of these communities and the United States itself will be correspondingly related to the development and progress of their Hispanic populations.

However, the Hispanic consumer market has been relatively untapped by the U.S. business community. Here are some facts to keep in mind about this fast-growing segment of the U.S. population, based on recent government reports: the 1982 U.S. Census of Hispanic business and an excellent analysis by the U.S. Hispanic Chamber of Commerce.

☐ The aggregate income for all Hispanics totaled about $114 billion in 1985.

☐ Hispanic market advertising expenditures totaled $398 million in 1986, according to *Hispanic Business* magazine.

☐ Hispanic consumers are aware of and loyal to brand products.

☐ The Hispanic markets are segmented by recency of migration, subgroup differences, socioeconomic differences and language.

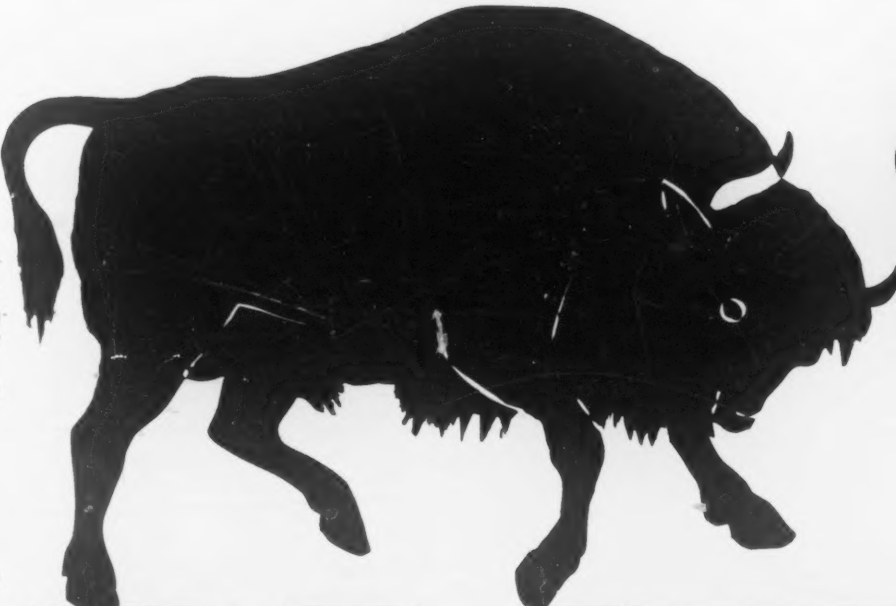
☐ U.S.-born Hispanics are dominant in the English language and frequently are bilingual. Most foreign-born Hispanic youth are dominant in Spanish. But after about 10 years in the United States, the vast majority have made English their everyday language.

A number of companies have begun to strengthen their ties to the Hispanic domestic markets through joint ventures, minority vending programs and the consultant services of Hispanic lawyers, accountants, and public relations, marketing and advertising professionals. Moreover, businesses that wish to enter or expand their Latin American and Caribbean markets are finding Hispanic specialists an invaluable resource.

But business leaders would be the first to agree that they were slow to recognize the strength of the Hispanic market and that often their initial efforts to tap it were unsure or ill conceived. Some businesses failed to realize that promotional strategies aimed at Blacks might not produce results in the Hispanic communities; all *minorities are not the same*. Other marketing campaigns paid scant attention to differences between the Hispanic subgroups; *all Hispanics are not the same*. At best the campaigns were ineffective in reaching the Hispanic consumer; at worst they provided Hispanics with some amusing but embarrassing translation bloopers. "Pregnant" toothpaste and "cars that don't go" are two that Hispanics continue to chuckle over.

Good corporate managers make quick corrections, however, and so today, Hispanic marketing strategies are becoming increasingly sophisticated. More corporations are placing qualified Hispanics on staff in positions of influence; more are using the services of Hispanic specialists and experts.

Joint venturing and vending programs, on the other hand, have moved at a slower pace—in part because it takes time to build a communication network with Hispanic entrepreneurs, and in part because there is a reluctance to tamper with long-established networks. Corporations that have taken the initiative, paid special attention and provided technical assistance to vendors when necessary have created opportunities that have proved to be mutually beneficial.



BUF

An All-America

Regional cuisine and Ar
these days. And what fo
than the great American
ternative to beef, buffalo
rants as steaks, burgers

"Buffalo is the red meat of the 1990s," says chef/owner Gary Barone of the 275-seat Gary's Restaurant in Washington DC. Gary's serves buffalo sausage a la Romana with fennel and cracked black pepper; hearty eight-ounce buffalo burgers with chopped onion, salt and pepper; and buffalo steak au poivre cooked in a brown sauce with shallots and brandy.

Demand for buffalo meat is growing. Sales of buffalo by commercial breeders rose 60 percent in 1986. With a small national herd, increased demand means buyers pay moderately higher prices for buffalo than for beef, even though it costs about the same to raise buffalo as cattle. Restaurants, too, charge a bit more for buffalo dishes than for beef—about 25 percent more.

150 restaurants serve buffalo

About 150 U.S. restaurants serve buffalo on a regular basis, and many more serve it occasionally, according to Henk Wisker, a Virginia buffalo raiser with a small herd of 24. Wisker also owns a restaurant supply house that sells buffalo meat. "If you like beef," says Wisker, "you'll like buffalo. It doesn't taste much different." Others claim that buffalo has a sweeter taste.

Buffalo's prime appeal, though, is health-related. It has 50 percent less cholesterol than beef, 70 percent less fat and 30 percent more protein. Doctors sometimes recommend buffalo to heart patients and others who must limit their cholesterol intake. Several nationally recognized weight-loss programs accept buffalo as a diet food because it has fewer than 50 calories per ounce.

Cook it slow and low

Almost any dish that features beef can be cooked equally well with buffalo. For example, chili, meatballs, lasagna and casseroles all taste good with buffalo meat. Buffalo must be cooked differently, however. The National Buffalo Association (NBA) suggests that buffalo meat be cooked "slow and low." That is, it should be cooked for a longer time and at a lower temperature than beef. The proper internal temperature for rare is 120 degrees Fahrenheit. For medium rare, cook at 130 degrees; for medium, 140 degrees. Well-done buffalo meat is not recommended because it can be tough. "Overcooked buffalo meat will bring you the same result as other meats that are overcooked—

BUFFALO SANDWICH FILLING

Serves 4

Ingredients:

1 cup ground cooked buffalo
1 Tbs. minced onion
1 Tbs. pickle relish
1 Tbs. lemon juice
2 Tbs. salad dressing
½ tspn. salt
⅛ tspn. black pepper

Method:
Combine all ingredients. If they are too dry to stick together, add a bit of cream or evaporated milk.

Variation: Add 1 or 2 finely chopped hard-cooked eggs.

BAKED

Serve over noodles,

Ingredients:

3 lbs. buffalo stew meat
2 cups onion, finely chopped
2 cloves garlic, finely chopped
2 bay leaves
1 tspn. salt
¼ tspn. pepper
⅓ cup salad oil
½ cup unsifted flour or ¼ cup cornstarch
¾ cup red cooking wine and 2 cups water
1 can (6 ozs.) tomato paste

FALO

n Meat for the 1990s

nerican cooking are all the rage
od could be more American
buffalo? Billed as a healthy al-
meat is showing up in restau-
and even taco filling.

BUFFALO STEW

rice or whole wheat. Serves 12

Method:
Place buffalo meat, onion, garlic and bay leaves in shallow baking pan; sprinkle with salt and pepper. Bake uncovered in a hot oven (425°F) for 10 minutes, reduce heat to slow (300°F) and continue baking about 30 minutes longer until juices are released from meat.

Make sauce of flour or cornstarch, salad oil, red cooking wine, water and tomato paste. Cook until smooth. Pour over meat and cover. Bake in slow oven about 1½ hours or until meat is very tender but not dry.

BUFFALO TACOS

Serves 6

Ingredients:
1 lb. ground buffalo
½ clove garlic, minced
2 Tbs. onion, grated
½ tspn. Worcestershire sauce
1½ tspn. salt
1 tspn. chili powder
12 tortillas or taco shells
1 cup cheddar cheese, shredded
2 cups lettuce, finely chopped
½ cup chopped onion
1 cup fresh tomato, finely cut

Method:
Mix meat, garlic, grated onion, Worcestershire sauce, salt and chili powder; brown in skillet. Keep mixture moist and hot.

Warm tortillas in microwave or oven. Allow each person to fill tortillas with meat mixture, grated cheese, lettuce, onion, taco sauce and tomato.

TACO SAUCE

Heat together 1 cup tomato juice, 3 tablespoons catsup, ⅛ teaspoon tabasco sauce and ½ teaspoon Worcestershire sauce.

something as palatable as roofing shingles," an NBA spokesperson says.

Prior to cooking, buffalo meat is darker in appearance than beef, almost brown. Buffalo does not "marble" like beef, because it contains much less fat. There is, therefore, little meat shrinkage during cooking, so cooks don't end up with a skillet full of grease when frying buffalo burgers. This low fat content also explains its health benefits.

Promotional potential

In addition to its health merits and tastiness, buffalo has excellent potential for promotions and menu merchandising. As interest in American regional cuisine continues to sweep the nation, buffalo dishes can be served as key, signature menu items steeped in the pioneer tradition of the Old West. Serving buffalo meat hearkens patrons back to a time when American bison (the proper name for buffalo) roamed the Great Plains in herds of hundreds of thousands, before rifles and the railroads thinned the bison population to a few dozen members of an endangered species. The herds were once so large, one American Indian observed, "The Plains were black and appeared to be moving."

Today, the population is much smaller—about 100,000—but patrons need not worry that they are eating an animal of endangered status. The buffalo population has been steadily increasing since President Theodore Roosevelt began protecting bison. In fact, the National Buffalo Association in Pierre, South Dakota, claims that its 700 active members maintain herds in almost every state and that only 10 percent of the country's population goes to slaughter each year. Buffalo, the largest of North America's wild animals, are the only ones raised in the United States as a food source.

Future of buffalo remains to be seen

Whether buffalo will end up a novelty meat, a health food or a mass-market item remains to be seen; but with its versatility and health benefits, buffalo meat is likely to benefit from the growing interest in American foods. ❑

—Carolyn Hughes Crowley

Franchises on Foreign Shores

While concern about the U.S. foreign deficit grows, the foodservice industry is one of the few American industries that is steadily expanding abroad.

Chicago-style hot dogs in Japan. Tuna fish on pizzas in West Germany. Prawns on pizza in Australia. These are some of the quirks of the international franchise marketplace. Expect to hear more this year, because as the domestic market becomes even more saturated, American chains are going to intensify their overseas expansion plans in 1989.

100 companies overseas by end of 1989

For McDonald's Corporation, for example, international operations is its fastest-growing business, contributing 21 percent of the company's pretax profits in 1986. So it's no surprise that American restaurant companies have ambitious plans for overseas growth and that many others are carefully evaluating and testing foreign markets. In 1986, 65 American firms operated 6,769 restaurant units in foreign counties—up from 57 companies and 3,943 units in 1980. According to some industry experts, the number of American foodservice companies with operations in foreign countries could surpass 100 by 1990.

Canada, the country with the most American fast food franchises, should continue to receive the most attention from American restaurant chains over the next few years. With Canada's proximity to the United States and its cultural similarities, U.S. companies are apt to feel more comfortable investing in Canada than in other parts of the world.

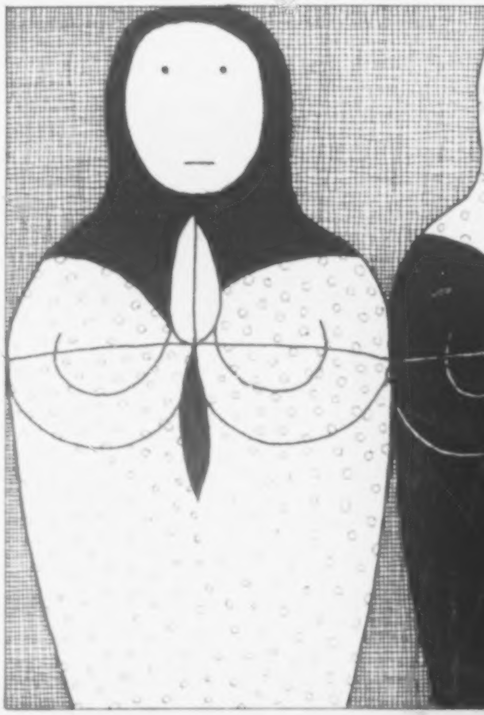
But this year American companies will also increase their focus on other continents. The rapid growth in Japan, Australia and Southeast Asia has made these areas attractive for investment and expansion. In fact, since last year's stock-market crash, U.S. institutional money managers have been attempting to diversify away from the stocks-and-bonds market. A big American insurance holding company recently formed a Hong Kong-based venture to introduce half-a-dozen American fast food franchises throughout Asia. This move, by American International Group, Inc., marks the first time an American institutional investor has moved into the overseas franchise market.

As cultural and language barriers continue to erode, continental Europe will experience further penetration of its markets by American chains in the coming years. Europe is attractive to franchisors for a number of reasons. The large number of working women, the high presence of American military personnel and the rising discretionary income make the potential for growth obvious. Although the most favorable conditions are found in France, Germany and Great Britain, many consider Turkey, Italy and Spain to be the European countries with the greatest potential.

Behind the Iron Curtain

Finally, several of the larger chains have taken advantage of the detente between the United States and the Soviet Union and have set up units in the Soviet Union, China and several Eastern Bloc countries. These countries will receive further attention from U.S. chains in 1989, although they are likely to remain relatively minor markets for the foodservice industry for some time. Of course, the public relations potential is enormous. In fact, on March 17, 1988, when McDonald's became the first fast food chain to open a restaurant in a Soviet Bloc country—in Belgrade, Yugoslavia—people stood in line for three hours to sample American burgers.

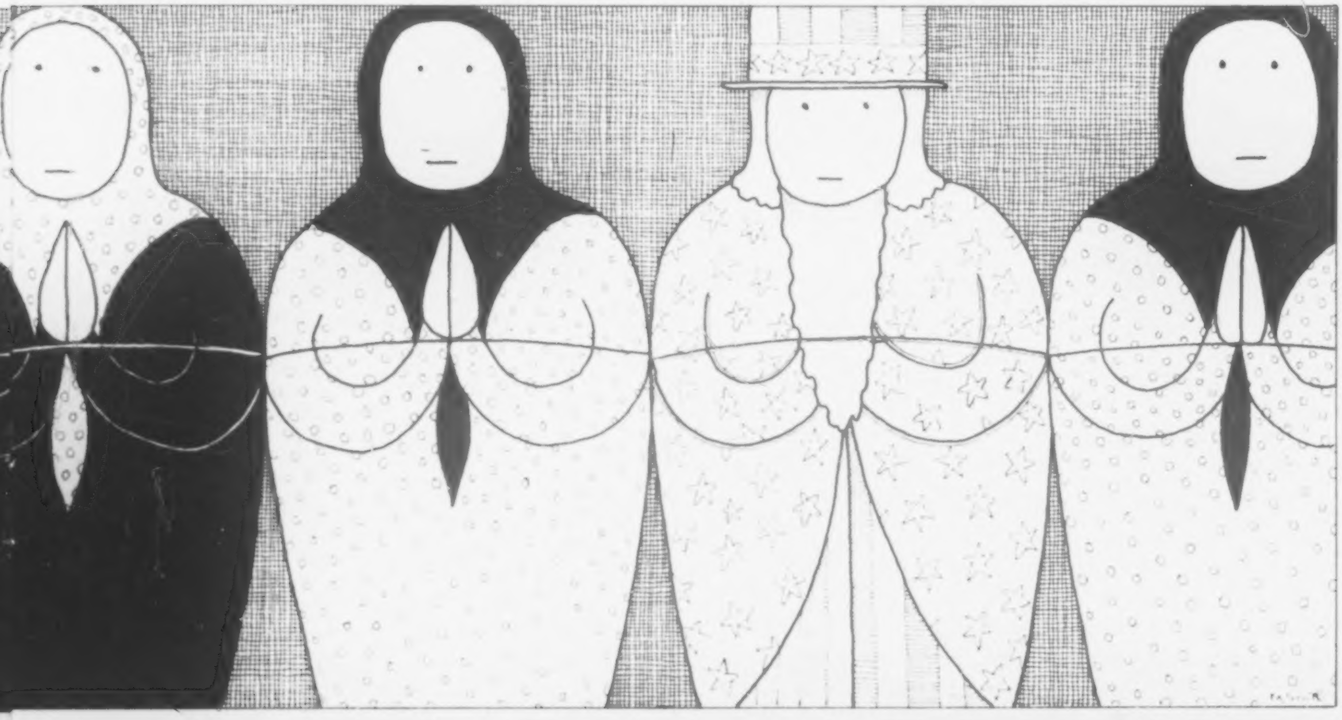
International franchising may be the wave of the future, but it is not without its drawbacks. Success can be elusive, and profits usually come slowly. In fact, with one firm predicting that it would be eight years before it sees real profits, it's clear that companies must be patient. Currency fluctuations, varying customs and tastes, and the inability to locate suitable supplies are just some of the problems companies must anticipate. Still, with domestic markets becoming saturated in some areas, many major companies consider that their best growth opportunities rest on foreign shores.



GLASNO

When Gorbachev brought his new ideas to American shores, he also brought new words to the American vocabulary—*glasnost*, or openness, and *perestroika*, or restructuring. At first the words were used to describe changes in the new political and economic policies of the Soviet Union. But now the new openness can be seen to extend to many other facets in that vast country, including the foodservice industry. The Soviet Union has long been known as a country hard to get into and hard to leave, where even the most ordinary facts are closely guarded secrets. But things are beginning to change. In the past year Gorbachev has opened doors to allow chefs from both the United States and the Soviet Union to visit each other; he has allowed a group of foodservice experts to come to the Soviet Union to see for themselves what foodservice is like in his country, and, in the spirit of

Julie Fintel is a regular contributor to ***Restaurants USA.***



Margaret Scott

OST IN THE KITCHEN

by Julie Fintel

perestroika, he is laying out the welcome mat for Americans who want to trade with the Soviet Union or open restaurants in Russia.

This year, after 12 years of negotiations, McDonald's will open branches in Moscow, giving Muscovites their first taste of "Bolshoi (big) Macs." And Pizza Hut is introducing pizza, opening the first of two planned units in Moscow this year. Another American giant teaming up with the Soviets is the Marriott Corporation. As partner in a joint venture with Aeroflot, Marriott will manage the Russian airline's kitchen in Moscow, preparing about 10,000 meals a day for domestic and international Aeroflot flights.

Despite these obvious breakthroughs, the Soviet Union is still a mostly uncharted territory for the American entrepreneur, a new frontier waiting for the venturesome and resourceful. One pioneer who was among the first to test the boundaries was noted chef and restaurateur John Folse, owner of Lafitte's Landing in Donaldsville, Louisiana. Folse had been to other countries, showcasing his Lousiana-style cooking, and he wanted to give the Russians a taste of Cajun too. After a year and a half of Folse's repeated requests, the Soviets finally allowed him to open a restaurant in the Moscow World Trade Center for 10 days during the Reagan-Gorbachev summit meeting. Security was tight, and Folse had to give up his dream of serving the ordinary Soviet citizen and settle for high-level Soviet officials and members of the international press. Still, the restaurant was a huge success, and it led to the Soviets allowing some of their chefs to visit the United States last November.

GEORGIAN FISH

Ingredients:

2 lbs. white fish meat; sliced
½ cup chopped coriander
1 cup walnuts
2 cloves garlic
1 cup pomegranate juice
Salt and pepper to taste

Method:

Poach fish in water for 8 to 10 minutes—just until tender, but not flaky. Drain. Grind walnuts, garlic and pepper. Add chopped coriander and pomegranate juice. Mix well. Place fish chunks on a deep platter; pour sauce over fish. Chill. Sprinkle with pomegranate seeds and sprigs of coriander.

—Julianne Margvelashvili, The Classic Cuisine of Georgia USSR

The Russians are coming, the Russians are coming

The 10-member group—including 43-year-old master chef Michael Vydush; two younger chefs, Andrew Mallygin and Natalia Tokareva (all of Moscow); four musicians, an engineer, an interpreter and Vladimir Vokhmin, head of the Soviet Chamber of Commerce—were whisked to 10 American cities in 13 days, giving culinary demonstrations, meeting and exchanging ideas with American chefs, and sampling such American foods as Maine lobster, tacos, Lousiana crawfish and hamburgers. Folse accompanied them, and members of the American Culinary Federation (ACF) hosted them in each city. In St. Augustine, Florida, ACF President Jack Braun invited them to his house for a Southern barbecue. "They loved the baked beans," he reports.

"There are as many recipes for borscht as there are Russian grandmothers," says Jerry Reiner, chef of the Russian Tea Room. Here are two to consider.

RUSSIAN TEA ROOM BORSCHT

Serves 6 to 8

Ingredients:

¾ cup sliced julienned onions
¾ cup julienned carrots
¼ cup salad oil or bacon fat
6 Tbs. tomato paste
2½ cups sliced julienned beets
1 cup coarsely chopped cabbage
2 Tbs. wine vinegar
3 Tbs. sugar
2 quarts strong beef stock
Salt and pepper to taste
Fresh dill and sour cream

Method:

In a deep pot, saute the onions in the oil until transparent. Add the carrots and continue cooking for another minute. Add the tomato paste and cook for one minute more. Add the beets, cabbage, wine vinegar, sugar and beef stock; simmer for 20 to 25 minutes. Season with salt and pepper.

To serve, turn soup into a tureen or individual soup bowls and sprinkle with the dill. Serve hot, with sour cream on the side.

—Chef Jerry Reiner

CANTERBURY BORSCHT

Serves about 20

Ingredients:

4 lbs. beets
½ cup wine vinegar
1 tspn. sugar
½ cup butter
3 Tbs. oil
1 head green cabbage, sliced
3 onions, sliced
½ cup shallots, chopped
3 red peppers, sliced
1 lb. zucchini, unpeeled and sliced
1 lb. carrots, peeled and sliced
1 gal. rich chicken stock
Sour cream for garnish

Method:

Peel and grate beets. Place ¼ of the beets in a bowl and mix with vinegar and sugar. Set aside. Melt the butter with oil, and saute the shallots and onions until the onions wilt. Add all other vegetables except beets and cabbage, and sweat until wilted.

Add the grated beets and cabbage with stock, and simmer for two hours. Strain the stock. Puree the vegetable solids in blender until smooth and return them to the stock. Add the reserved beets, and heat gently for 15 minutes. Serve each bowl with a dollop of sour cream.

—The Canterbury

Gill Butler (left), president, PepsiCo Food Service International, with Valeri Zharov, deputy mayor, City of Moscow Council, sign a joint-venture agreement to establish two Pizza Hut restaurants in the Soviet Union within the next 12 months. Under the agreement, the City of Moscow will own 51 percent of the venture; PepsiCo will own the remainder. Both restaurants will accept rubles and hard currency.

Folse says he found the Soviet chefs very talented, "especially when given our products to work with. In the Soviet Union I found the chefs quite blase about their cuisine. Unfortunately, they do not have the variety of food we do. But in the United States, when given our products, they were excited enough to experiment."

At about the same time the Moscow chefs were flying around the country, a delegation of chefs from Soviet Georgia also came calling. Their visit was the result of a dinner a Soviet diplomat had enjoyed at the Seattle Sheraton's Fuller's Restaurant. The diplomat was so impressed that he invited the Fuller's chefs, Caprial Pence, Diana Nowlis and Laura Dewell, to visit Georgia, a republic in the southern part of the Soviet Union, where they were wined and dined in homes and restaurants. In return, three Georgian chefs came to the United States, first to visit Seattle, and then to stay for a week in Washington DC. In their party was Zena Gozalvshbele, a cooking teacher; Tengez Shjvendaze, a chef from the number-one hotel in Tbilisi, Georgia's capital city; Shalba Metreveli, a chef from a Black Sea resort hotel; plus Gia Gorgodze, the director of catering at Georgia's Ministry of Trade; two members of the media; and a translator. In Seattle the chefs were put to work cooking traditional Georgian dinners every night for the Sheraton's restaurants and a luncheon buffet during the day. The chefs also did demonstrations in supermarkets and department stores. In between cooking stints, they were immersed in American food and culture. "They were such fun-loving, funny people," remembers Elizabeth Lawder, public relations assistant at the Sheraton Washington. She says that even though the whole trip was complicated to arrange, the Sheraton would like to do it again.

American restaurants go Russian

The visits of the Russian chefs inspired some restaurants to try "Russian nights" or even Russian months. For a Russian weekend at Washington DC's Canterbury Hotel, the dining room featured a fixed-price menu offering *borscht*, a beet soup; *piroshki*, small meat pies; *blinis*, buckwheat crepes with various toppings; choice of salmon in pastry or lamb kebab; *pashka*, a molded dessert made from curd cheese; or *kisel*, a cranberry dessert; and a glass of Armenian

Пицца Хат

Chef John Folse takes time out from running his American restaurant in Moscow during the Reagan-Gorbachev summit to admire the city's Byzantine domes and spires.

brandy to finish off the meal. Diners were entertained by a balalaika band and ate surrounded by Russian artifacts and travel posters of the Soviet Union. Chef Jeffrey Bleaken, who consulted the Soviet embassy while planning the menu, says that a contingent from the embassy came one night to sample the food—pronouncing it "very authentic."

Cities Restaurant, another Washington DC establishment, regularly focuses on celebrated cities of the world. It chose Leningrad as its theme city shortly after the chefs' visit. Chef Mary Richter's Ukranian borscht, served with garlic rolls, was highly praised by the local food critics. Richter says she tried to prepare her dishes just as they would be prepared in the Soviet Union, even though her American palate sometimes would have preferred more spices. Sahir Orozan, owner of Cities, added to the Russian mood by marbelizing the walls to give the dining room an Old European look. He also dressed the waiters in black pants and a black shirt with a big red stripe, an idea, he says, that may not have been authentic but was more like the dream image people have of the city built by Peter the Great.

The Moscow chefs pose with John Folse and new American friend Mickey Mouse during their visit to Orlando's Walt Disney World.

Russian haunts

Russian food may be getting a better press after Gorbachev's efforts at glasnost, but it wasn't completely unknown to Americans before the visit. At the time of the Russian Revolution, many Russians fled their country, some coming to the United States. Because New York attracted one of the largest groups of emigres, restaurants catering to homesick expatriates flourished. The well-known Russian Tea Room, for example, was founded in 1923 by members of the Russian

GEORGIAN EGGPLANT WITH WALNUTS

Ingredients:

2 medium eggplants
1 medium onion
¼ cup fresh parsley
¾ cup fresh coriander
2 medium garlic cloves
1 small pomegranate, seeds only
¾ cup blond walnuts
¼ cup sunflower oil
1 to 2 Tbs. mayonnaise
Salt and red pepper to taste

Method:

Wash and slice eggplants lengthwise into quarter-inch-thick slices. Saute in sunflower oil until slightly golden. Remove and place on paper towel to drain and cool. Cut cooked eggplant slices into quarter-inch, lengthwise strips. Mince onion; chop coriander and parsley. In a food processor, grind garlic and walnut to a fine paste. Mix together in a large bowl with coriander, parsley and onion. Add mayonnaise; mix well. Add eggplant and pomegranate seeds, and toss together until well mixed. Add salt and red pepper to taste. Serve in a mound on small platter; garnish with sprigs of coriander and sprinkles of pomegranate seeds.

—Julianne Margvelashvili, The Classic Cuisine of Georgia USSR

Imperial Ballet who had fled to America. The restaurant quickly became a center for Russian emigres, and today it still attracts people of all nationalities with its variations on such traditional Russian dishes as *Kasha a la Gourieff*, a warm farina dessert with apricot sauce, toasted almonds and fresh fruit; *Cotelette a la Kiev* (Chicken Kiev), bound breast of chicken, stuffed with butter, breaded and deep fried; and *Karsky Shaslik Supreme*, marinated lamb fillet, grilled on skewers and served with rice pilaf, a red-cabbage relish and Madeira sauce.

Perestroika at work

In addition to the exchange of foodservice professionals, the Soviet Union and the United States are looking at opening up markets for food products. Pepsi Cola already has an agreement whereby it exports its syrup to the Soviet Union and, in exchange, imports Stolichnaya vodka to the United States. By late spring or early summer, another kind of Soviet beverage may be on America's shelves—Laggidze Waters, a fruit-flavored mineral water from the Repulic of Georgia. The water will be marketed by Torg International, a New Jersey-based joint venture between a private U.S. firm and Soyuzplodoimport, the U.S.S.R.'s State Committee of Agriculture—the first such joint venture where the United States has the controlling interest (51 percent). The American company's part of the deal is to send over modern bottling equipment and the knowhow to update the packaging of the water. Next on the agenda for Torg is the importing of the Soviet Union's favorite beer, Zhiguli. Long-range plans call for introducing Soviet wine and cognacs and any other agricultural products Torg thinks American consumers might buy.

The Americans are coming, the Americans are coming

Joint ventures are one way the Soviet Union keeps some control over foreigners doing business on its soil. Any American company setting up business in the Soviet Union is required to have a Russian partner, usually with the Soviet side holding the controlling interest. The Soviets are bending over backwards to make it easier for foreigners to open businesses, but companies such as PepsiCo's Pizza Hut and McDonald's, that hope to open branches of their fast food restaurants in the Soviet Union, are finding there is still a lot of red tape to cut through. One of the biggest problems is the status of the ruble. Often referred to as "funny money," it has no value on the foreign market; the government sets one exchange rate, while black marketeers on Soviet city streets set another. That means the ruble cannot be converted into other currencies or used outside the Soviet Union, forcing most firms to barter one commodity for another, i.e., Pepsi Cola's deal with Stolichnaya vodka.

Another problem facing would-be restaurateurs is the scarcity of food supplies in the country, as well as the poor quality of the food that is available. Chicken-king Frank Perdue pronounced Russian chickens "lean and narrow-breasted," a polite way of saying they are skinny and undernourished. Folse, used to implementing native products for his showcase restaurants, did what he could with the products he found in the Moscow market. "They had potatoes, turnips, beets, cabbages. I used the cabbages for one Louisiana dish. I also used their sturgeon and salmon. But I suspect that their fish was frozen and reprocessed."

Food is rationed in eight of the 15 Soviet republics, a result of the short growing season in the majority of the U.S.S.R. and the Soviet system that requires that the majority of the food grown on collective farms go to a central location, where it is then sent to other parts of the country. Unfortunately, much of it spoils along the way. Add to this the lack of incentives for the farmer to produce, and the result is long lines of Russian people waiting to get into stores with mostly empty shelves. Folse found that the people had the money to spend, but a lack of things to spend it on.

The state's control extends to almost all of the country's restaurants too, although *glasnost* is allowing the opening of cooperatives. These co-ops, owned by families and groups, are allowed to choose their own menus, set their own prices and get rid of employees who don't measure up—a great contrast to the state-run eating places, notorious for their poor service. Folse describes the tradition of bad service as one of the greatest problems that would face anyone opening a restaurant in the Soviet Union—although the Soviet citizen makes a whole evening of dining out and doesn't expect quick service. "In a typical restaurant," Folse explains, "the waiter will bring a bottle of vodka to the table, and then go play a game of dominoes before he comes back again."

Folse is at present mulling over the service problem and other obstacles before deciding if he will accept proposals from the Soviet Union to open American-style eating establishments in the Soviet Union. He has been given the option, he relates, either to open a white-tablecloth, top-drawer American restaurant on the top floor of the Moscow Trade Center or to design such a restaurant and then lease it to an American entity that would run it. If he accepts the first offer, he would have to find a reliable and regular way to bring in American foodstuffs. If he accepts the second, he would try to bring waiters and wine stewards to the United States for six months to learn the American way of service. Meanwhile, Folse has decided to accept a third offer—to run fast food kiosks in two of Moscow's city parks—selling such American foods as hot dogs, cotton candy and hamburgers.

McDonald's of Canada, planning to open the first of 20 operations in the Soviet Union this year, will draw supervisory staff from other McDonald's locations in the setting-up period and train its Soviet management staff at one of its Hamburger Universities. Ingredients for its Big Macs, fish fillets, fries, shakes and soft drinks will come from a food-distribution center the company will build in Moscow.

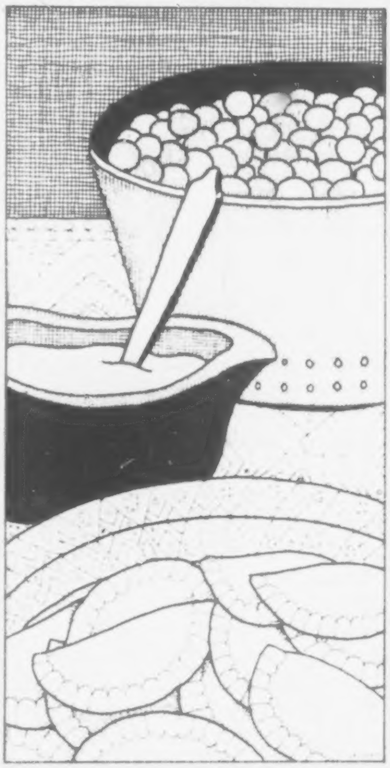
In spite of the difficult problems, Folse sees great opportunities in the Soviet Union. "They need foodservice and our expertise," he declares. Folse thinks it's just a matter of time before the problems are solved. ❑

THE FOODS OF RUSSIA

To understand the food of Russia is to understand that the Soviet Union is not a country but an empire, made up of 15 republics. Its vast territory reaches from the Atlantic to the Pacific, from the Arctic Circle to the Caspian Sea, with climates ranging from subtropical to frigid. The 230 million people who live in the Soviet Union can be separated into 110 national strains, each with its own way of cooking, depending on the heritage—be it Slavic, Nordic, Mongolian or Middle Eastern, and depending on which foodstuffs are available in that particular region. For example, the Latvians, Estonians and Lithuanians, known for their fishing and dairy industries, have dishes similar in many ways to those of Scandinavia. The Ukraine, a fertile wheat-growing land, is naturally known for its breads. Armenia's ties with the Middle East are reflected in its baklava, flat bread and use of bulgur wheat. In Russia, the largest of the republics, the markets where housewives shop suffer from a scarcity of meat and fresh fruit and vegetables. During the long winter, the Russian family relies on foods canned or preserved during the summer and on root vegetables, such as potatoes, beets, turnips, carrots and cabbages, that store well.

The Soviet Republic of Georgia enjoys the reputation of having the best cuisine in the Soviet Union; its dishes are spicy and make wide use of walnuts, coriander and pomegranates. Georgia's diverse terrain and climate supports grazing land for sheep and cattle, waters for fresh fish and forests for game and nuts, including the Persian walnuts that form the base for sauces used on meats, fish and vegetables. One corner of Georgia has a subtropical climate, where tea and citrus fruits are grown and grapes are made into wine and brandy.

Even in pre-Gorbachev days there were certain Russian dishes known by Americans: blinis and borscht, as well as Beef Stroganoff and Chicken Kiev (both dishes of the nobility brought to this country by Russians fleeing the revolution), and perhaps the most famous Russian foods of all—vodka and caviar.



Na zdorovie!—to your health!

Vodka was first introduced as a medicine in the 14th century, and some would say the Russians still drink it to alleviate pain. They always drink it ice cold—sometimes encasing the bottle in a chunk of ice—but never diluted with ice, and at a single gulp from a small glass. Flavorings are often added. Lemon vodka is a favorite; anise, buffalo grass, tea, dark sweet cherries or crushed cherrystones are other additions. Pepper vodka, *pertsovka,* is fiery hot and thought to be an effective remedy for colds.

Something like the Swedish smorgasbord is the Russian table of appetizers called *zabuska,* literally meaning small bites. The zabuska table can serve as a prelude to the main meal, with diners standing to sample the different dishes and washing them all down with vodka or sitting down and making a meal of the smoked or marinated fish, cheeses, pates, vegetable caviars, sausages and salads.

Perhaps the stars of the zabuska table are the caviars. Most choice of all the varieties of roe taken from different kinds of sturgeon is the Beluga, the large eggs gray to almost black. The Sevruga and Osetrova sturgeon produce smaller, sometimes darker eggs. Lower-priced caviars are made from the roe of salmon or pressed from damaged sturgeon eggs. Ironically, this delicacy is usually exported to the West.

Soup is a mainstay of the Russian diet. A cabbage soup and a fish soup are common, but *borscht,* made from beets, is probably the favorite. Meat pies can be an accompaniment to soups or served alone. *Pirozhki* are tiny pastries filled with meat, fish, mushrooms, cheese or other fillings. Another dish that lends itself to a variety of fillings are the *blini,* pancakes traditionally made from buckwheat flour. Caviar, pickled herring, chopped mushrooms and onions, or plain melted butter garnish this dish, which is traditionally eaten in the week before Lent. In addition, Soviets enjoy shish kebab; fish and grains, most notably, *kasha,* made from buckwheat groats; and cakes.

Since the revolution, Russian cuisine has changed little. Too much attention paid to the pursuit of fine food was associated with the nobility and was therefore considered an unworthy pastime in the post-revolutionary years. But all that may be changing, as culinary *glasnost* is offering the Soviets the chance to learn about foods as prepared in other parts of the world. If the Russians join the 43-nation World Cooks' Society (something they promised to consider when they visited ACF headquarters last November), then the exchange of cooking ideas in the international culinary community may go a long way to adding new dimensions to the Russian repertoire.

—Julie Fintel

WAYS TO REDUCE WORKERS' COMPENSATION CLAIMS

Health care and health insurance rates have shot through the roof in recent years. One way to keep a lid on expenses is to avoid unnecessary outlays for workers' compensation claims.

by William E. Hartsfield

Almost six million people are injured on the job each year. Although 4.5 million require only medical treatment, nearly 325,000 suffer permanent disability. Accidents can happen in restaurants just as in any workplace. In the event an employee is injured, a workers' compensation claim (or a lawsuit) can result. In today's litigious society, having to pay even one large workers' compensation claim could be enough to skyrocket premiums. Consequently, it is worth taking steps to ensure that your operation is following prudent procedures with regard to workers' compensation. Above all, you must do all you can to avoid situations resulting in claims. When it comes to workers' compensation, an ounce of prevention can be worth thousands of dollars of cure. Let's look at ways to prevent large claims from being filed in the first place.

1. Designate a coordinator. Designate a coordinator to be responsible for taking charge of all efforts to reduce workers' compensation claims. This person should manage a complete safety program.

The coordinator should start by analyzing your operation's accident records. For example, if your operation has recurring instances of back injuries, the coordinator can note the pattern and initiate a training program on the proper way to lift.

He or she should also make sure your restaurant is complying with the law and should monitor responses to all claims. To keep up with changes in the law, the coordinator should attend seminars.

2. Initiate a safety program. The key to reducing workers' compensation claims is safety. To begin a safety program, obtain standards from the Occupational Safety and Health Administration (OSHA) that apply to jobs in your operation. Next, ask your insurance carrier to audit your workplace for suggestions on eliminating safety hazards. Correct problems in the physical layout of the operation that may have led to several similar accidents. Sponsor training programs dealing with the safe use of equipment. Post notices telling employees that they are to report all injuries, no matter how minor.

3. Implement careful hiring procedures. While interviewing job applicants, eliminate workers who are unable to physically complete the tasks their positions require. Insist on a physical examination if in doubt. In doing so, you are ensuring that you will never ask workers to do a task of which they are not capable.

Create job descriptions that include the physical activities of each position, and ask applicants if there are any reasons they are not fit to carry out those tasks. Include a section on the application that states that false information provided by the applicant is grounds for immediate termination.

You may also contact Employer's Information Service at 1-800-535-4075 to screen for any fraudulent workers' compensation claims.

4. Establish a swift reporting procedure. The claims coordinator should file injury reports as soon as possible with the insurance carrier and the appropriate state agency. Filing a report usually starts the time limit running on when the employee can file a notice of injury, and it gives the insurance company and its attorney a starting point for investigating a claim. In fact, the employer may be subject to a fine if a report is not filed.

Any injury report should identify all witnesses to the incident and describe in detail what occurred. Discuss with your insurance carrier what information to place in the injury report and what information to include only in your own investigation notes, keeping in mind that the injury report will almost certainly be available to the injured party's attorney. Your investigation notes, on the other hand, may be protected by a privilege and thus may not be available to others without your permission.

5. Hire a consulting physician. A medical advisor who provides advice to you and does not treat employees may help you reduce and manage your claims. He or she can

☐ conduct preemployment medical examinations

☐ advise you on the ability of injured employees to return to work

☐ review medical bills for possible fraud and

☐ recommend treatment by physicians who understand your business.

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When looking for a consulting physician, seek one who will discuss medical exams with you in detail and who will be personable—a "people" doctor, not a company doctor.

6. Recommend a health-care provider for an injured employee. From the outset, identify a doctor (or medical facility) close to your workplace who can provide good service to your employees and who is properly equipped to treat injuries that might be sustained in your restaurant. Be sure to recommend a doctor who does not automatically prescribe medication and give the employee several days off just for coming in. Instead, seek a doctor willing to work with you in determining if an injured employee is available for light duty.

The doctor you recommend should be willing to testify if necessary and should *not* be one who works exclusively with defense law firms.

7. Avoid unlawful practices. As you design and manage your program, keep in mind that it is typically unlawful for the employer to fail or refuse to file the first report of injury. Further, several states prohibit discrimination against any employee who has, in good faith, filed a workers' compensation form, hired an attorney or initiated any workers' compensation claim. In many states, an employee may not waive his or her rights to workers' compensation.

If a claim is filed

Following the previous steps will put you on your way toward reducing the odds of having a large workers' compensation claim filed against you. Inevitably, however, some claims will be filed. You must respond quickly with actions that can help reduce the size of the claim.

1. Avoid the "us against them" attitude with employees. Instead of ignoring accidents at work, offer to refer the employee to an appropriate health-care provider. If employees are entitled to benefits, help the employee obtain them.

Visit employees in the hospital or at home, and let them know you want to help them. Maintain close contact with them until they are back on the job. This contact will show your concern for them and boost their morale, prompting a quicker return to work. During this period of contact, the employee may tell you if there is a problem with the insurance carrier. You can work to correct this problem before the employee hires an attorney.

Finally, place the recovering employee in a temporary job for which he or she is physically qualified. By doing so, you are not paying for lost wages without getting some work in return.

2. Conduct a routine investigation of accidents leading to a claim. Any investigation of the accident should document your compliance with safety rules and identify persons who may know of the employee's behavior before or after the accident. For example, did someone see the employee drinking alcohol prior to the accident? Did the employee get hurt on the weekend playing softball and then complain of a knee injury Monday afternoon at work? Did someone see the employee playing volleyball after an alleged back injury?

If the investigation suggests that the employee's claim is fraudulent or provides other reasons to deny liability, give specific details in the letter that accompanies the injury report. Interview witnesses and others to get their versions of what happened, what working conditions they deemed unsafe and their opinion of the injured employee's ability to work before and after the accident.

The investigator should carefully look over the scene of the accident and take photographs if they would prove useful. For example, if the employee claims that the accident occurred a certain way, and the setup of the work area is such that it disproves the claim, the layout of the work area should be photographed.

Finally, the investigator should preserve any piece of equipment involved in the accident. For example, if a piece of equipment breaks off, causing an accident, the part should be given to the insurance carrier.

3. Communicate with the insurance carrier. Your insurance carrier should be notified of any developments concerning the injured party. For example, notify your insurer if

☐ the employee returns to work, goes to work for another employer or opens a business

☐ the employee receives a work release from a doctor

☐ work becomes available that the employee can do in spite of the injury or

☐ any physical activity occurs that contradicts the employee's statements about the extent of the injury.

Your claims coordinator should not merely provide information to the insurance carrier. He or she should establish a relationship with the insurer, evaluate the carrier's performance and request any necessary changes in service. For example, ask your insurer to

☐ audit your facility quarterly or semiannually to suggest safety improvements

☐ help you fill out the claim forms

☐ explain to you the process at the industrial accident board

☐ provide regular status reports and contact you before settling the claim and

☐ explain why it recommends a settlement and how it arrived at a settlement amount.

You may want to retain certain rights in your agreement with the insurance carrier. For example, you may want the right to select the attorney to represent you, and you may want the authority to settle the claim if it exceeds a stated amount.

4. Communicate with the defense attorney. At least as important as your relationship with the insurance carrier is your relationship with

What is workers' compensation?

Generally, workers' compensation is a no-fault insurance system designed to pay for medical bills and wages lost by an employee who is injured on the job or contracts an occupational disease. Under most state laws, the employer is required to provide this insurance. Both the employer and the employee can benefit when the system works. The employee is assured of insurance coverage for medical bills and for a percentage of lost wages. The employer avoids large monetary claims for the employee's pain and suffering.

the defense attorney. You should provide the attorney with all relevant documents, such as claim forms, wage statements, attendance records, personnel records and photographs, to speed the attorney's action. You may want to request that the attorney contact you first to approve settlement offers rather than allowing the insurance carrier to do so.

Be careful to preserve the attorney-client privilege. In other words, from the outset establish with your attorney and insurance carrier that information you gather is under their direction and at their request in order for them to provide you with legal advice. After establishing this arrangement, you will be able to legally argue that the documents you provide are protected by the attorney-client privilege, thereby making communications between you and the attorneys privileged. This forces the employee's attorney to decide what questions to ask rather than simply asking you, "What did you tell the attorney?"

5. Raise the following issues with your attorney and your insurance carrier to protect yourself:

☐ What are the issues in dispute on this claim?

☐ Can you make a claim against a third party for the injuries to the employee?

☐ If light duty is available for the injured employee, will it reduce payments under the claim?

☐ Should there be an independent medical examination?

☐ Should you initiate a background check on the employee for fraudulent claims?

☐ Has any hearing been scheduled and should you or your representative attend?

☐ Has there been an offer to settle?

☐ Should any corrections be made to working conditions?

6. Assist in the trial or hearing. You can be quite valuable to your defense by actively participating in hearings, depositions and trials. You are the person who knows the workplace best, and you can best discover inconsistencies in the employee's story. This is information that your attorney and insurer can get from no one but you.

FISHER'S LAW

#97

Another class reunion

I recently went to another college class reunion to renew friendships with my cosmopolitan and gourmet classmates. I know you can't wait for me to tell you about it.

The reunion committee had balanced the program quite well. The committee was composed of Cal O'Rees, Starr Chez, Carbo Hydrates and Cole Esterol. Burr Gundy and Chardon Nay were in charge of ordering the wine. When they asked for help, Pino Nawhr readily agreed, Pino Blanc turned white and Zin Fandel blushed.

Croy Sant from France won the prize for coming from the farthest distance, but Tos Titas came from Mexico and Kay Jun came up from New Orleans.

Our two best baseball players came back, Pitcher O'Bier and Batter Shrimp. I got a little worried about two people I saw. Ava Kado looked a little green and Blanche Karats looked a little pale. On the other hand, Saul Sage is still plump and Petty Fors is still sweet, as is Crystal Sugar. Johnny Kake is everyone's old standby, as is Conn Sommay. Demi Tass only stayed for half the time. Liko Reese was a hit with the young kids, and Ginger Glaze was smooth yet spicy.

Our class has two sets of twins; neither pair is identical. Hazel Nutt looks nothing like her brother Doe, and York Shire is a far cry from his brother Wooster.

The people who used to hang out together still gravitated toward one another. Grenna Dean talked a lot with Mary Chino. And Mack Arel, Red Mullet, Hally Butt, Wally Pike and Finnan Haddy still see eye to eye. They all eventually caught up with Tarta Sos, who was making the rounds.

Some people who went together wound up married. They included Hammond Rye and Maya Naze, and Chad O'Briand, who married Maya's sister, Bern.

Some people remained good friends for life. Among them were Vinny Grett and Cu Cumber, Marge Arin and Melba Tost, Sal Ladd and Roke Forte, Cal Amari and Aba Loney. Sal Omi was still everyone's friend, but the group stayed away from Clo Stridium and Pere Fringens. You still have to watch Sol Deum and Crummy Muffins.

Three guys had lost their hair, so they each earned the nickname "Pop." They were Pop Sickles, Pop Paya and Pop Korn. Cara Mell developed quite an interest in Pop Korn.

It's always interesting to note the occupations people go into. Torta Leeny is a lawyer, Ray Sens is in breakfast foods, Pete Kahn is in pies and ice cream, Bull Yon is a politician and Omma Lett is in the egg business. Cauly Flower is a grocer and sometimes connects with Al Gratin. Al Frommage is a big cheese somewhere. Gastra Nome is in the restaurant business.

Some people retain their characteristics forever. Moe Lasses is still slow. Cher Bertt is still cold and icy. Kay Yen is still peppery. Cassa Rolls still goes after the leftovers, and Venna Zen is still a little wild and gamey. Cheri Jubilee and B. Anna Foster are still flamers. Sally Mander is still handy, Gella Tinn is a little thick and Tab Asco is still hot stuff.

I had a chance to say only a brief hello to Ray Goo, Borda Laze, Mully Gatawny, Ruta Bagga and Mary Nated. I waved to Boolya Bays, Mosa Arilla, Lynn Gweeny and Manny Cotti.

The morning after the reunion, everyone was glad to bump into Al Kaseltzer.

Fisher's Law #97: When you go to a reunion, don't overdo it.

A healthy oil change

The time is approaching when the consumer will be able to order any fried item in a fast food restaurant confident that it has been prepared in a relatively unsaturated fat.

The big news in nutrition this year concerns fat in the diet. As the scientific evidence associating a high-fat diet with heart disease and cancer strengthens, the public is increasingly aware of fat and fatty foods. Americans are focusing not only on total fat intake but on the type of fat consumed as well. As usual, trends in the foodservice industry reflect public preoccupations. The trend is decidedly away from cooking with animal fat, even in the fast food sector.

Few chains use animal frying fats exclusively

In fact, a 1988 survey conducted by the National Restaurant Association shows that only five of the 28 major chains that responded use animal fat exclusively for all types of frying.

A questionnaire was sent to fast food and family restaurant chains with 350 or more units. Twenty-eight of the 36 questionnaires were completed, resulting in a response rate of 78 percent. Respondents represented 47,000 units, and 71 percent were fast food chains.

The responses make it clear that we are in the midst of a switch from animal fat as a frying medium to vegetable oil or vegetable shortening, which contains a higher percent of unsaturated fats. During the two years preceding August 1988, 20 percent of the companies surveyed changed some or all of the fats they use for frying. The majority switched from an animal/vegetable (A/V) shortening blend or tropical fats to vegetable fats. Another 14 percent indicated plans to change their frying fat during the next two years.

Hardee's
The Light Touch
ALL-VEGETABLE OIL

How Hardee's, Burger King made the switch

Hardee's executives were convinced the switch from an A/V shortening blend to all-vegetable oil was worth it after the company conducted consumer taste tests. "Hardee's is consumer-driven, and our patrons were telling us that they were concerned about nutrition. And they couldn't tell any difference in color, taste or texture between the products fried in shortening and all-vegetable oil," reports Jerry Singer, Hardee's director of public relations. According to Singer, none of Hardee's products had to be reformulated, and the switch did not pose any other technical problems. "Some of our franchisees needed convincing," Singer admits. "And it took about six months to run out the A/V inventory, but by and large, we had no problems."

One drawback to the change was cost. Singer says the vegetable oil can cost up to 30 percent more than A/V shortening. Hardee's chose not to pass the increase along to consumers. "We received hundreds of letters supporting our decision to switch and were applauded by consumer groups, doctors and dietitians," Singer boasts. He adds that the change also was designed to attract 18-to-35-year-old females, who tend to be more concerned about nutrition and health issues than the average consumer. "Traffic has increased by one percent during the last year, which means 6 million new customers to Hardee's. Plus profits are in their third straight record-breaking year."

When Burger King abandoned A/V shortening for vegetable shortening for all products except french fries, on the other hand, it was done with the introduction of "Chicken Tenders." "I think this made the change easier to assimilate and minimized negative reactions from franchisees," explains Doug Timberlake, Burger King spokesperson. Unlike Hardee's, Burger King continues to use an A/V shortening blend for its french fries. "Our market research indicated that patrons' concerns about fat and cholesterol are becoming more dominant, but the research continually reinforced their preference for a potato fried in the A/V shortening."

With all this reassessment going on, where do we stand today? Fifty-seven percent of those surveyed, or 16 companies representing 23,000 units, use only vegetable oil or vegetable shortening for frying. Twenty-one percent, or six chains, use more than one kind of fat. Usually, this group uses a combination of animal and vegetable fat for preparing french fries and/or hash browns and vegetable fat alone for frying other products such as chicken, fish and pies. Eighteen percent, or five chains, use an animal/vegetable blend exclusively. And one chain approves both the blend and vegetable fat, allowing individual franchisees or unit managers to assess consumer wishes and then choose.

Fats are not the only focus. The association survey also indicates that a broad range of health-conscious items are already available to the consumer in chain restaurants. At least 75 percent of respondents are offering decaffeinated coffee, entree salads or salad bars, reduced-calorie dressings, fruit juices and low-fat milk. In addition, 71 percent offer a nonfried sandwich.

What does the future hold? Most likely operators will continue to change with the trends.

—Claire Regan, R.D.

Regional food preferences

Restaurant patrons in Caribou, Maine, have quite different preferences from diners in San Diego. A special CREST study examining consumers' regional food preferences at restaurants for the year 1987 can help operators target their customers' preferences. The study analyzed the relative popularity and growth patterns of various food items among the nine U.S. census regions.*

U.S. restaurant customers are diverse in their selection of menu items. Food preferences are often dictated by regional personality, the ethnic background of the indigenous population, the availability of different food sources and tradition. Here are highlights from the CREST analysis of consumer food tastes by region.

New England

☐ Consumer preferences for upscale restaurants were higher here than in other regions.

☐ The likelihood of ordering wine, veal and seafood—all traditional upscale items—was twice the national average.

☐ Among the 10 major national menu items,** coffee and ice cream were most popular in New England.

☐ Although Mexican food is relatively unpopular in New England, it has gained a toehold in the region, as evidenced by the sharp gain in orders in 1987 for tacos and burritos.

☐ Customers in New England were willing to travel farther to get to a restaurant than were customers in any other area of the country.

Mid-Atlantic

☐ As in New England, restaurant visitors in the mid-Atlantic region showed a strong predilection for upscale establishments as well as a coastal bias toward seafood.

☐ The likelihood of Mid-Atlantic residents ordering pizza is higher than in any other region.

☐ Mexican food was slow to catch on at the region's restaurants. The likelihood of ordering Mexican dishes was about one-quarter of the national average. Orders for enchiladas and burritos fell sharply in 1987.

☐ Orders for salad and pan pizza rose more than 30 percent in 1987.

East North Central

☐ Red-meat foods topped the list of area favorites, but seafood was relatively unpopular here.

☐ Main-dish salad was an

**CREST stands for Consumer Reports on Eating Share Trends, a diary survey conducted by one of the NPD marketing and research companies.*

***The 10 major national menu items are: carbonated soft drinks, french fries, burgers, salads, coffee, pizza, breads, chicken, tea and ice cream.*

The five most popular menu items, by region, 1987*

Seafood is more popular in the coastal regions than in the rest of the nation

	New England	Mid-Atlantic	East North Central	West North Central	South Atlantic	East South Central	West South Central	Mountain	Pacific
1.	Broiled/baked/grilled seafood	Veal	Chili	Soft-serve ice cream	Breakfast sandwich	Vegetable platter	Enchiladas	Other Mexican	Burritos
2.	Tuna/ham/chicken sandwich	Heros/subs	Main-dish salad	Bacon cheeseburger	Iced tea	Spicy fried chicken	Other Mexican	Enchiladas	Tacos
3.	Heros/subs	Tuna/ham/chicken sandwich	Cheese	Pan pizza	Fried shellfish	Fried fish	Spicy fried chicken	Burritos	Wine
4.	Veal	Hot tea	BBQ ribs	Taco salad	Broiled/baked/grilled seafood	Biscuits	Iced tea	Tacos	Frozen desserts (non-ice cream)
5.	Wine	Broiled/baked/grilled seafood	Roast beef sandwich	Ham and cheese sandwich	Vegetable platter	Iced tea	Tacos	Frozen desserts (non-ice cream)	Other Mexican

*Relative to national average

Source: NPD CREST

The five least popular menu items, by region, 1987*

Mexican food is least popular in Northeast regions

New England	Mid-Atlantic	East North Central	West North Central	South Atlantic	East South Central	West South Central	Mountain	Pacific
1. Enchiladas	Burritos	Enchiladas	Veal	Enchiladas	Wine	Hot tea	BBQ chicken	Spicy fried chicken
2. Tacos	Enchiladas	Vegetable platter	Spicy fried chicken	Other Mexican	Omelets	Decaf coffee	Veal	Cole slaw
3. Other Mexican	Other Mexican	Iced tea	Heros/subs	Burritos	Veal	Cheese	Spicy fried chicken	Breakfast sandwich
4. Burritos	Tacos	Boiled/steamed/raw seafood	Boiled/steamed/raw seafood	Tacos	Alcoholic beverages	Soup	Breakfast sandwich	Iced tea
5. Taco salad	Taco salad	Broiled/baked/grilled seafood	Wine	Donuts/sweet rolls	Hot tea	BLT/club sandwich	Boiled/steamed/raw seafood	Pan pizza

**Relative to national average*

Source: NPD CREST

Quickservice restaurants played a dominant role in the East South Central region, accounting for 75 percent of customer traffic in 1987—a higher proportion than in any other region.

extremely popular item in the East North Central region. Overall salad orders in the region climbed by more than one-third in 1987.

☐ The likelihood of customers ordering tea in this region was about half the national average.

☐ Among national menu items, only coffee and pizza saw significant above-average orders in the region.

West North Central

☐ When compared with the rest of the country, the favorite menu items in the West North Central states in 1987 were distinctly fast food-oriented. This is not surprising in view of the rapid expansion of quickservice restaurants in this region.

☐ Soft-serve ice cream was the most popular menu item in the region, but hard-serve ice cream orders fell 22 percent.

☐ Below-average preference for upscale restaurants was reported for this region in 1987. Accordingly, the likelihood of ordering veal, boiled/steamed/raw seafood and wine—all upscale items—was about half the national average.

☐ Chicken was a big gainer. Total orders rose 45 percent and orders for barbecue chicken rose 49 percent.

South Atlantic

☐ Breakfast sandwiches and iced tea, two traditional Southern favorites, topped the list of most popular items in the South Atlantic region.

☐ Seafood was one of the most popular menu items, which is not surprising considering that seven of the region's eight states are on the coast.

☐ Salad gained acceptance throughout the region, as orders for several different varieties increased by more than 30 percent in 1987.

Main-dish salad was an extremely popular item in the East North Central region. Overall salad orders in the region climbed by more than one-third in 1987.

☐ Mexican food had a low level of acceptance in the South Atlantic compared to elsewhere in the United States. The likelihood of ordering Mexican items was about half the national average.

East South Central

☐ Quickservice restaurants played a dominant role in the East South Central region, accounting for 75 percent of customer traffic in 1987—a higher proportion than in any other region.

☐ Traditional Southern foods, such as spicy fried chicken, fried fish and biscuits, also were popular.

☐ Iced tea was a favorite, but hot tea saw well-below-average consumption at the region's restaurants. In general, both hot tea and hot coffee were not popular items in the southern regions of the United States. This is probably due to a preference for cold drinks in warm-weather states.

☐ Orders for Chinese/

The five fastest-growing menu items, by region, 1987

The popularity of pan pizza and tuna/ham/chicken salad is growing nationwide

	New England	Mid-Atlantic	East North Central	West North Central	South Atlantic	East South Central	West South Central	Mountain	Pacific
1.	Tacos	Salad	Main-dish salad	Non-carb soft drinks	French toast	Chicken sandwich	Tuna/ham/ chicken salad	Frozen desserts (non-ice cream)	Chicken
2.	Spicy fried chicken	Pan pizza	Tuna/ham/ chicken salad	Tuna/ham/ chicken salad	Salad	Chinese/ Asian	Chicken sandwich	Pan pizza	Heros/ subs
3.	Burritos	Spicy fried chicken	Pan pizza	BBQ chicken	Tuna/ham/ chicken salad	Croissants	Wine	Chicken sandwich	Pan pizza
4.	Pan pizza	BBQ ribs	Frozen desserts	Chicken	Taco salad	Fried shellfish	Veal	Chili	Frozen desserts
5.	Tuna/ ham/ chicken salad	Tuna/ham/ chicken salad	Chicken	Roast beef sandwich			Fried fish	Rice	Tuna/ ham/ chicken salad

Source: NPD CREST

Asian menu items jumped 52 percent in the East South Central region in 1987.

West South Central

☐ With the region's proximity to the Mexican border and its large Hispanic population, it is not surprising that Mexican menu items fared best in the West South Central region. Enchiladas were preferred in this region by more than three times the national average. The likelihood of ordering other Mexican dishes was more than twice the national average.

☐ Other favorite dishes included spicy fried chicken and iced tea.

☐ Hot liquids, such as hot tea, soup and coffee, were not popular with diners in the region. This is probably due to the region's hot weather.

☐ Coffee was less popular here than in any other region.

Mountain

☐ Mexican food was king of the Mountain region,

The five fastest-declining menu items, by region, 1987

Stuffed pizza is losing popularity

	New England	Mid-Atlantic	East North Central	West North Central	South Atlantic	East South Central	West South Central	Mountain	Pacific
1.	Stuffed pizza	Ham and cheese sandwich	Stuffed pizza	Stuffed pizza	Stuffed pizza	Stuffed pizza	Cheese	Stuffed pizza	Croissants
2.	Steak sandwich	Enchiladas	Vegetable platter	Hot chocolate	Bacon cheeseburger	Vegetable platter	Stuffed pizza	BBQ chicken	French toast
3.	Ground-beef entrees	Burritos	Donuts/ sweet rolls	Hard-serve ice cream	Cheesecake	Donuts/ sweet rolls	BBQ ribs	Boiled/ steamed/ raw seafood	Other fried veggies
4.	Cookies	Bacon cheeseburger	Cheesecake	Gelatin/ pudding	BBQ ribs	Cheesecake	BLT/club sandwich	Cheese	Ham
5.	Potato salad	Cakes/ pastries/ tortes	Bacon cheeseburger	Wine	Nachos	Bacon cheeseburger	Cheesecake	Donuts/ sweet rolls	Cheese

Source: NPD CREST

claiming four of the five top spots on the area popularity chart. Frozen non-ice-cream desserts (such as frozen yogurt) also emerged as an area favorite.

□ Dishes well-liked in the Southern and coastal areas of the United States, such as seafood, veal, chicken and breakfast sandwiches, had a low degree of popularity in the Mountain region.

□ Topping the list of fastest-growing foods were frozen non-ice-cream desserts and pan pizza.

□ Among major national menu items, only ice cream saw above-average orders in 1987.

Pacific

□ Restaurant patrons in the Pacific region showed a high preference for Mexican food and frozen non-ice-cream desserts. Wine was also popular here—an appreciation enhanced, no doubt, by the existence of many local vineyards.

□ Southern foods, such as spicy fried chicken, coleslaw, breakfast sandwiches and iced tea, were generally unpopular.

□ Although the likelihood of ordering pan pizza in this area was about half the national average, it started to catch fire in 1987 as orders rose 32 percent.

□ Chicken orders rose 62 percent at Pacific-region restaurants in 1987.

□ None of the 10 major national menu items saw above-average consumption in the Pacific region in 1987. This probably is related to the style and personality of the region, which places more of a premium on the eclectic and trendy than on tried-and-true restaurant dishes.

—Sebastian O'Kelly

1988 annual CREST report

In 1988, restaurant industry traffic increased a slight 0.5 percent, well below the 3.5 percent rate of growth recorded in 1987. 1988's traffic gain was the smallest advance for the foodservice industry in the last five years. The sluggish growth was precipitated, in part, by a decline in household penetration rather than by patrons reducing the frequency of their visits. In other words, the number of households in which at least one member dined out during an average two-week period dipped 0.6 percent in 1988, but frequency of restaurant visits among those who went to restaurants remained unchanged from 1987.

Traffic highlights

Among the three industry segments tracked by CREST, quickservice was the only one to report traffic growth in 1988—up 1.8 percent. Within the quickservice sector, varied-menu restaurants, Mexican restaurants and grocery stores all had strong traffic gains. Making lesser gains than in previous years were Asian fast food, hamburger and pizza places.

Customer counts at both midscale and upscale operations decreased in 1988. Traffic dropped 2.4 percent at midscale establishments and declined 1.4 percent at upscale restaurants.

Overall traffic changed little at each meal period in 1988. Dinner reported the largest advance—0.9 percent. Customer counts gained 0.3 percent at lunch and declined 0.8 percent at breakfast. Among industry segments, only quickservice experienced traffic growth at each meal period. Both midscale and upscale establishments suffered traffic losses at each meal period in 1988.

In 1988, off-premises consumption was responsible for all of the gain in industry traffic; the number of takeout occasions advanced 3.8 percent. Midscale operations experienced the strongest gain in takeout with a 4.5 percent jump in traffic. Takeout continued to catch on in the upscale segment, too; upscale restaurants saw a 4.1 percent gain in takeout traffic. Off-premises traffic was up 3.8 percent at quickservice eateries in 1988.

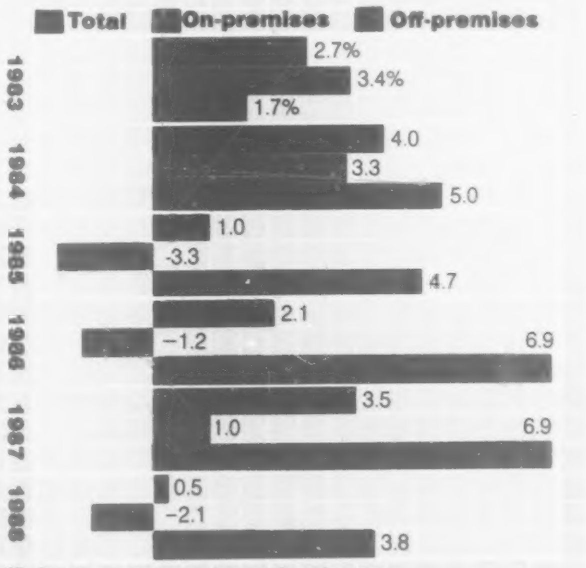
After climbing 1.0 percent in 1987, on-premises traffic fell 2.1 percent in 1988, with the decrease felt in all three industry segments. The largest drop in on-premises traffic occurred at midscale restaurants—down 3.5 percent. On-premises counts at upscale and quickservice places declined 1.8 percent and 1.1 percent, respectively.

Regional traffic

Information published for the first time by the National Restaurant Association shows considerable regional variation in industry performance last year. For instance, only the Pacific and New England states enjoyed strong gains of more than 3 percent in customer traffic last year. In comparison, customer traffic declined by 5 percent in the Mid-Atlantic states and was off by nearly 4 percent in the East South Central region. Furthermore, poor performance in terms of declining traffic spread west-

Annual growth in industry traffic

Off-premises traffic continues to fuel total industry growth



Note: *Percent change is over the prior year.*
Source: NPD CREST Household Reports, 1982–1988

ward through the West South Central and Mountain states as well.

Average check size

The average per-person check size increased 3.4 percent in 1988 to $3.64. This was nearly double the growth rate of 2.0 percent for 1987. Quickservice restaurants showed the sharpest increase in the average check—up 5.1 percent to $2.69—followed by upscale operations—up 3.6 percent to $9.30. The average check size at midscale eateries gained 3.5 percent to $4.43.

Lunch saw the biggest boost in average check size—up 4.6 percent to $3.44. The average check size increased 3.9 percent at breakfast to $2.42 and climbed 2.8 percent at dinner to $4.76.

All regions reported increases in average check size in 1988, with the East South Central recording the biggest gain at 7.5 percent. The Mountain and Middle Atlantic regions followed, with increases of more than 5 percent. (It's interesting to note that each of these regions also posted declines in traffic.)

Promotions

Promotions were used on 17.8 percent of all restaurant occasions during 1988, up from 17.1 percent in 1987. Usage was highest at quickservice restaurants, where promotions were employed on 19.9 percent of all restaurant occasions. Promotions were used at midscale and upscale places on 13.7 percent and 13.4 percent of all occasions, respectively—up from 13.3 percent and 12.7 percent in 1987.

Dinner was the preferred meal period for promotion use, with 23 percent of all dinner occasions in 1988 involving promotion. Breakfast and lunch recorded promotion rates of 14.2 percent and 16.5 percent, respectively.

On a regional basis, use of promotions ranged from a low of 12.2 percent of occasions in New England to a high of 23.7 percent in the Mountain states. Promotional use was up nearly 11 percent in the East South Central region but gained by less than 1 percent in the East North Central states, again showing the substantial differences that exist from one region of the country to another.

1988 regional highlights

Only the Pacific and New England states enjoyed strong traffic gains in 1988

	New England[1]	**Mid-Atlantic**[2]	**East North Central**[3]	**West North Central**[4]	**South Atlantic**[5]	**East South Central**[6]	**West South Central**[7]	**Mountain**[8]	**Pacific**[9]
Traffic*	3.7%	−5.1%	2.5%	2.2%	1.4%	−3.9%	−0.7%	−1.8%	4.2%
Average* check size	3.4	5.1	3.0	2.6	2.6	7.5	2.4	5.4	3.2
Percent of eater occasions involving a promotion	12.2	17.0	21.6	20.7	20.3	21.8	22.4	23.7	19.1

***Note:** *Figures represent percent change over 1987.*

Source: NPD CREST, Annual Household Report, 1988.

[1] *Includes the states of CT, ME, MA, RI, VT, NH*
[2] *Includes NY, PA, NJ*
[3] *Includes MI, WI, OH, IN, IL*
[4] *Includes ND, SD, MN, IA, NE, KS, MO*
[5] *Includes DC, DE, MD, VA, WV, NC, SC, GA, FL*
[6] *Includes KY, TN, AL, MS*
[7] *Includes OK, AR, TX, LA*
[8] *Includes MT, ID, WY, NV, UT, CO, AZ, NM*
[9] *Includes WA, OR, CA*

1988 fall quarter CREST report

Customer traffic for the 1988 fall quarter was down 0.3 percent from one year earlier. This marked the second consecutive quarter of loss, the first such six-month period since the third quarter of 1982. Restaurant industry sales, however, were up 4.2 percent over 1987.

Only quickservice establishments reported gains in traffic for the fall 1988 quarter, up 0.7 percent. Traffic declined 2.6 percent at midscale establishments and 1.0 percent at upscale operations.

By meal period, breakfast had the weakest quarter, with traffic down 2.2 percent. Although breakfast traffic was up slightly at quickservice establishments, it fell steeply at midscale and upscale eateries. Total lunch traffic was down 0.2 percent; dinner traffic dipped 0.1 percent.

Off-premises traffic continued to account for all of the industry's traffic growth. Takeout traffic gained 0.7 percent in the fall quarter, but on-premises customer counts declined 1.1 percent. Takeout gathered momentum with upscale patrons; off-premises traffic in this segment advanced 6.9 percent.

The average check size for the 1988 fall quarter was $3.70, up 4.5 percent from 1987. The average check size at quickservice operations gained 5.0 percent to $2.75, and it climbed 5.1 percent to $4.50 at midscale restaurants. Upscale restaurants reported an average check size of $9.36—up 4.8 percent from the fall of 1987.

Menu prices on the rise

Although the cost of living, as measured by the Consumer Price Index (CPI-U) rose at a higher rate in 1988 than in 1987, national menu and grocery-store prices advanced at virtually the same pace in 1988 as in 1987. However, there were significant local variations.*

Inflation, as measured by the Bureau of Labor Statistics' Consumer Price Index (CPI), advanced 4.1 percent in 1988, higher than the 3.6 percent price increase in 1987. Although energy costs remained fairly stable in 1988, labor and other operating costs went up, helping drive up inflation. For the 12-month period ending in December 1988, food prices rose 5.2 percent. The increase in food prices in 1988 was the largest since 1980, and was partially fueled by the summer drought.

Grocery-store and menu prices displayed similar increases in 1988. The U.S. City Average Consumer Price Index (CPI-U) for food at home, which measures price changes at grocery stores, advanced 4.2 percent in 1988, virtually the same rate as in 1987. Menu prices, as measured by the U.S. City Average Consumer Price Index (CPI-U) for food away from home, grew by 4.1 percent in 1988. This rate is just slightly above the 4.0 percent menu price increase in 1987.

Food price increases kept pace with other price advances in 1988. The CPI for all items, which includes food, shelter, energy, transportation, medical, clothing and other daily living expenses, advanced 4.1 percent in 1988, compared to 3.6 percent in 1987 and 1.9 percent in 1986.

Prices vary by city

CPI data are collected on a regular basis from 15 selected cities or metropolitan areas. An analysis of grocery-store and menu price changes in these areas shows wide variation from city to city** and little consistency within regions of the country. Furthermore, there does not appear to be any relationship between increases in prices for food purchased for home consumption and increases in prices for food eaten away from home. In Baltimore, for example, menu-price increases slowed down between 1985 and 1988, but grocery-store prices increased more rapidly.

Moreover, changes in a state's minimum wage are not reflected consistently in annual changes in menu prices at the city level.

City highlights

☐ In 1988 menu prices increased most rapidly in Cleveland (8.5 percent), Miami (5.9 percent) and Baltimore (5.8 percent). Resi-

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**The U.S. City Average Consumer Price Index (CPI-U) measures the average change in prices for a fixed market basket of goods and services over a period of time. It covers all urban consumers and represents approximately 80 percent of the population of the United States.*

***Analysis includes areas for which data are compiled on a monthly or bimonthly basis.*

Changes in menu and grocery store prices vary greatly by city

Area	Consumer prices[1] 1987-88	Consumer prices[1] 1985-88	Grocery store prices[2] 1987-88	Grocery store prices[2] 1985-88	Menu prices[3] 1987-88	Menu prices[3] 1985-88
U.S. city average	4.1%	3.3%	4.2%	3.9%	4.1%	4.2%
Baltimore, MD	4.5	3.4	3.9	3.5	5.8	7.3
Boston, MA	6.1	4.5	4.3	4.4	3.9	5.6
Chicago, IL	3.9	3.5	4.1	5.1	2.4	2.4
Cleveland, OH	3.5	2.7	2.3	2.3	8.5	4.9
Dallas–Ft. Worth, TX	2.8	2.4	4.3	4.1	3.2	4.4
Detroit, MI	3.9	2.9	3.9	3.6	2.8	3.7
Houston, TX	2.8	1.5	5.3	4.8	1.1	1.4
Los Angeles/Long Beach, CA	4.6	4.2	3.5	4.1	3.0	2.7
Miami, FL	4.5	3.2	4.0	3.5	5.9	6.1
New York City, NY	4.8	4.6	5.6	5.3	4.5	5.9
Philadelphia, PA	4.8	4.2	4.2	4.0	2.0	2.5
Pittsburgh, PA	3.1	2.5	1.8	3.2	3.2	3.3
St. Louis, MO	3.1	2.7	2.5	3.8	4.1	3.8
San Francisco/Oakland, CA	4.4	3.7	7.1	4.8	5.1	4.8
Washington, DC	4.1	3.7	5.0	3.8	4.7	4.7

[1] CPI-U all items, average annual percent change

[2] CPI-U food at home, average annual percent change

[3] CPI-food away from home, average annual percent change

Source: Bureau of Labor Statistics

dents of Houston (1.1 percent), Philadelphia (2.0 percent) and Chicago (2.4 percent) saw the smallest advances in menu prices.

☐ Over the three-year period between 1985 and 1988, Baltimore (7.3 percent) and Miami (6.1 percent) showed the highest average annual increases in menu prices, while Houston (1.4 percent) and Chicago (2.4 percent) saw the lowest average annual increases in menu prices over the same time period.

☐ In 1988, grocery-store prices showed the largest increase in San Francisco/Oakland—a 7.1 percent gain over 1987. Pittsburgh had the smallest inflationary gain in grocery-store prices in 1988 at 1.8 percent.

☐ New York City and Chicago were the two metropolitan areas with the highest average annual growth in food store prices between 1985 and 1988—5.3 percent and 5.1 percent respectively; Cleveland showed the smallest average annual increase in grocery-store prices—2.3 percent.

☐ Boston posted the highest inflation rate of the 15 metropolitan areas in 1988, with prices (CPI-U for all items) rising 6.1 percent. Houston and Dallas–Ft. Worth showed the lowest increase in overall prices in 1988, with a 2.8 percent advance.

☐ New York City residents saw the largest average annual price increases between 1985 and 1988. The CPI-U for all items in New York City showed a 4.6 percent average annual growth. Houston showed the smallest average annual growth in prices—at 1.5 percent—during the same three-year period.

—Nancy Michalski

Restaurant operations data by check size

A special analysis of the National Restaurant Association's 1988 industry operations survey investigates operating data by average check size for tableservice and fast food restaurants.

For the first time, restaurant industry operations data compiled by the association's annual operations survey is available by average check size. This new information provides some notable insights.

Lower check size, higher earnings ratio

Two helpful financial tools to use in analyzing restaurant operating data are (1) net income before taxes on a per-seat basis and (2) the earnings ratio—the proportion of pretax income (or loss) to total sales. According to the association's special analysis of the operations survey data, those restaurants with lower average check sizes had higher earnings ratios.

The highest median earnings ratio was recorded by limited-menu, no-tableservice (fast food) restaurants with an average check under $3 (9.1 percent), while the lowest ratio occurred at tableservice restaurants with an average check of $10 or more (2.8 percent). For 1987, fast food survey participants reported a median earnings ratio of 7.3 percent, compared to 3.5 percent for full-menu tableservice operators.

In 1987, limited-menu, no-tableservice restaurants with an average check under $3 also posted the highest per-seat median income before income taxes—$367. Limited-menu, no-tableservice establishments with an average check of $3 or more posted the second highest per-seat median income before taxes ($217), followed by full-menu tableservice restaurants with average checks under $5 ($209). By comparison, full-menu tableservice restaurants with an average check of $10 or more had the lowest median income before taxes in 1987—$112 per seat.

Payroll most important controllable expense

Included among a restaurant's controllable expenses are its payroll, benefits and advertising costs. In 1987, limited-menu, no tableservice survey participants reported that controllable expenses were 41.5 percent of total sales, compared to a higher 49.2 percent for full-menu operators.

When controllable ex-

[illegible]

Advertising and promotion expenses were highest at fast food restaurants

	Limited menu, no tableservice		Full-menu, tableservice		
Selected income and expenses	**Average check under $3**	**Average check $3 or more**	**Average check under $5**	**Average check $5-$9.99**	**Average check $10 or more**
Total sales	$5,930	$6,015	$4,512	$3,283	$3,867
Total cost of sales	2,152	2,153	1,539	1,367	1,908
Gross profit	4,024	4,133	2,945	2,524	3,303
Total controllable expenses	2,821	2,572	2,422	1,948	2,515
• Payroll	1,612	1,542	1,386	1,161	1,397
• Benefits	117	76	110	68	153
• Advertising and promotions	158	240	80	76	109
Total occupation cost	478	500	335	293	358
Net income before income taxes	367	217	209	147	112

**median values*

Source: National Restaurant Association, *Restaurant Industry Operations Survey 1988*

Selected employee information,* 1987

Tableservice restaurants with an average check of $10 or more had the highest payroll costs per employee

	Full-time equivalent employees			Amount per full-time equivalent employee		
	Total	**Per 100 restaurant seats**	**Per 100 average daily covers**	**Total sales**	**Total payroll**	**Average daily seat turnover**
Limited menu, no tableservice						
Average check						
Under $3	11.0	22.2	3.2	$28,833	$7,336	7.9
$3 or more	14.8	22.0	4.3	34,409	8,365	4.0
Full-menu tableservice						
Average check						
Under $5	25.8	17.5	5.1	26,233	8,254	3.8
$5–$9.99	27.5	15.0	10.6	26,603	7,900	1.5
$10 or more	34.8	16.1	17.6	30,517	9,731	0.9

**All amounts are medians*

Source: National Restaurant Association, *Restaurant Industry Operations Survey 1988*

pense data are examined by average check size, fast food restaurants with an average check size under $3 reported the lowest proportion of controllable expenses to sales—39.2 percent, compared to full-menu operations with an average check size of $10 or more at 49.9 percent. Payroll costs are a major factor in this variation. Although fast food restaurants reported the highest payroll on a per seat basis, their payroll costs were actually a lower proportion of total sales. For example, payroll costs at fast food establishments with an average check under $3 comprised 23.7 percent of total sales, compared to 29.3 percent for full-menu operators with average checks under $5.

Advertising and promotions spending higher at fast food units

Restaurant advertising and promotional spending were also higher at establishments with lower average checks. In 1987, fast food survey respondents with an average check of $3 or more reported the highest median advertising and promotional spending per seat—$240. This is double the amount for tableservice restaurants with an average check under $10.

For 1987, limited-menu, no-tableservice survey participants reported that median advertising and promotional expenses were 2.5 percent of total sales, compared to a lower 1.9 percent for full-menu tableservice establishments.

Staffing grows as check size increases

Staffing demands at higher-average-check establishments were larger than for lower-check operations, indicating the increased emphasis on service at higher-check restaurants.

Full-menu tableservice restaurants with an average check of $10 or more had the largest number of full-time-equivalent employees in 1987—34.8. Fast food restaurants with an average check under $3 employed the fewest individuals on a full-time equivalent basis–11.

Tableservice restaurants with the highest average check also had the highest median payroll per full-time-equivalent employee ($9,731) in 1987. Fast food operations had the lowest ($7,336).

—Hudson Riehle

How to order the report

The National Restaurant Association's *Restaurant Industry Operations Report—1988* provides a state-of-the-industry look at financial operating data. A copy of the report (CS 958) costs $30 for members and $60 for nonmembers. When ordering, please include payment plus a 10 percent shipping and handling fee and any applicable tax. Washington DC residents must add 6 percent; Illinois residents must add 7 percent; and Chicago residents must add an additional 1 percent, making their total tax 8 percent. No purchase orders, please.

You can charge orders by including name of charge card, name of cardholder, card number, expiration date and signature. Credit-card telephone orders are also accepted. Call the National Restaurant Association at 1-800-424-5156 (toll free) or (202) 331-5900. Checks or money orders should be sent to the National Restaurant Association, 1200 Seventeenth Street, N.W., Washington DC 20036-3097.

Foodservice Market Measure, Dec. 1988

On a typical December day in 1988, 28 percent of adults ate on the premises of a restaurant and 19 percent purchased food to go or for delivery. Overall, 45 percent of adults were foodservice consumers on a typical day in December 1988, nearly identical to the proportions recorded monthly since June.

Nevertheless, lunch patronage reached its highest level in December, with 23.2 percent of adults reporting that they were lunch patrons on a typical day. Conversely, dinner patronage slipped further, reaching its lowest level since the Market Measure began tracking patronage in June. In the closing days of 1988, 19.1 percent of adults reported that they were dinner patrons, down from the 23 and 24 percent who were patrons in the summer months of June and July.

Lunch patronage

With approximately 68 percent of lunch occasions occurring on premises rather than off premises, consumers are much more likely to eat lunch than dinner at a foodservice establishment, as opposed to purchasing takeout. Furthermore, demographic data indicate that consumers regard eating lunch at a restaurant as a necessity. In many cases, eating lunch out is clearly related to being at work.

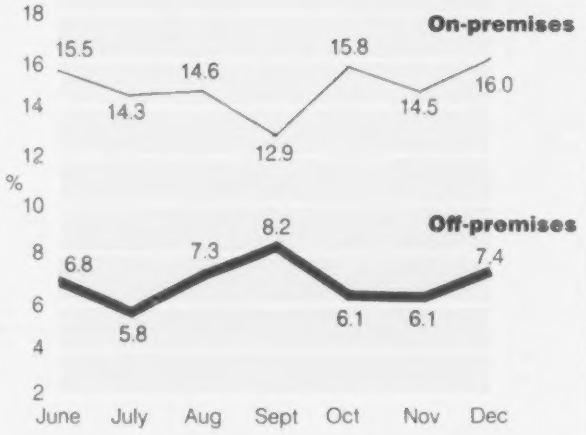
☐ **Employment:** Women who are employed full-time are more likely to be lunch patrons than are those who work part-time or not at all.

☐ **Income:** The overall demographic pattern—in which higher-income adults are more likely to be foodservice patrons than lower-income adults—is less pronounced at the midday meal, again underscoring the essential nature of purchasing lunch away from home.

☐ **Day of week:** In contrast to the pattern that exists at dinner—where patronage builds during the week—consumers are more likely to be lunchtime patrons early in the week and somewhat less inclined to eat lunch out on weekends.

—*Susan Mills*

Percent of adults who were lunch patrons on a typical day, June–December 1988



Source: National Restaurant Association Gallup Survey

Demographics of lunch patrons, fall versus summer 1988

	Percent of adults who were lunch patrons	
	Summer	**Fall**
Sex		
Male	49%	51%
Female	46	44
Annual income		
Less than $15,000	39	53
$15,000 to $19,999	47	51
$20,000 to $29,999	45	44
$30,000+	51	50
Women's employment statistics		
Full-time employment	50	48
Part-time employment	39	39
Not employed	41	39
Day of week		
Monday	59	58
Tuesday	52	48
Wednesday	49	49
Thursday	49	51
Friday	44	46
Saturday	42	41
Sunday	38	39

Note: *Data refer to patrons on a typical day.*
Source: National Restaurant Association Gallup Survey

Foodservice Market Measure

The Foodservice Market Measure is based on 1,000 telephone interviews, conducted by the Gallup Organization each month, with a nationally representative sample of adults age 18 and older. Each person is asked the same questions:

1. Which of the following did you do yesterday?

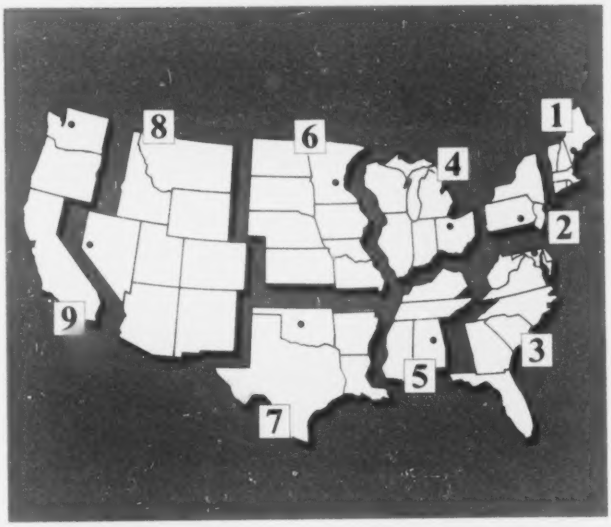
☐ Ate on the premises of a restaurant, fast food place, cafeteria or any other place where you purchased a meal or snack, or

☐ Purchased takeout food "to go" or had it delivered.

2. Was the food you ate on premises yesterday for breakfast, lunch, dinner or a snack?

3. Was the takeout food you purchased or had delivered for breakfast, lunch, dinner or a snack?

The monthly tracking of purchases is supplemented by quarterly inquiries on topics of industry interest, such as smoking versus no-smoking sections, tipping versus service charges, and nutritional concerns.



1 NEW ENGLAND

Location: Portland, ME
Association members: Daphne Dow, Martha and Wesley Smith
Operation: T.J. Cinnamons
Profile: One of two franchise units in Maine and New Hampshire
In business: 3 months
Seats: 75
Meals served: Breakfast

T.J. Cinnamons, in the heart of Portland's old port district, opened this past December, and manager **Daphne Dow** says that even in the slow post-holiday period, sales have continued to increase steadily.

The original T.J. Cinnamons opened in Kansas City in 1980; there is now one in every state. The Portland store is owned by Martha Smith, whose corporation, Crumb Castle, Ltd., has the franchise rights for T.J. Cinnamons for Maine and New Hampshire. Smith currently owns one other T.J. Cinnamons—in Dover, New Hampshire—but has chosen sites for an additional 15 units.

The chain is famous for its large, two-handed cinnamon buns; but cookies, brownies and baby bundt cakes, all baked on premises, are also available. The store sells frozen yogurt, too, as well as herbal teas, sodas, fruit juices and a regular or decaffeinated Colombian coffee.

Freshness is key; anything more than two hours old is either frozen or given to charity.

2 MID ATLANTIC

Location: Pottstown, PA
Association members: Martin Fields, Phil Columbo, Tony Popple
Operation: Denny's Restaurant
Profile: Midscale franchise restaurant
In business: 2 months
Seats: 109
Meals served: Breakfast, lunch, dinner

From the time it opened (December 26 at 12:01 a.m.) until January 7, Denny's of Pottstown didn't have a single empty seat from early morning until late evening. "Even now," says manager **Tony Popple,** "we're doing a great business." He attributes the success to Fields Hotel Management Inc., owner of the franchise unit, which strives for quality at a reasonable price by providing leadership that is supportive and stimulating and enough independence for individual units to be on their own.

Denny's is open 24 hours a day. It serves steaks, chops, omelets, appetizers, salads and treats from the soda fountain. It caters to the young with Fred Flintstone menus and comic books and to the senior citizens by offering half portions at half price.

The Pottstown unit has the feeling of an old diner, with lots of chrome trim. Fresh flowers and artwork help give the restaurant an open, bright look. The cocktail lounge, offering drink specials, is a big drawing card for this Denny's.

3 SOUTH ATLANTIC

Location: Elkton, MD
Association member: Ralph Jacklin
Operation: Iron Skillet
Profile: Truck-stop restaurant
Seats: 178
In business: 3 years
Meals served: Breakfast, lunch, dinner

Ralph Jacklin, president of Highway Service Ventures, owns the Iron Skillet in the truck stop at the interchange of U.S. 95 and MD 279, in the northeastern corner of Maryland.

Like other Iron Skillets across the country—22 of them company-owned and six of them belonging to franchisees—it is designed to attract tourists and locals as well as truckers.

Open 24 hours a day and serving food with a Southwestern flair, the Iron Skillets boast that all their food is cooked from scratch. Specialties are chili and chiliburgers, chicken-fried steak, real mashed potatoes, and homemade cobblers and pies. In the past few years they've added lighter fare, including a broiled chicken-breast entree for health-conscious customers.

Jacklin says his business is still growing. Last year he opened another Iron Skillet, near Richmond, Virginia, and he plans to open an additional unit each year for the next three years.

4 EAST NORTH CENTRAL

Location: Urbana, OH
Association members: Carl and Gale Fogelson
Operation: Ponderosa
Profile: One of two Ponderosa units owned by the Fogelsons
In business: 2 years
Seats: 200
Meals served: Lunch, dinner

Business at their two Ponderosas in central Ohio is up, according to co-owner **Carl Fogelson.** The units are in small communities, Urbana and Belle Fountaine, and are supported by workers from the area's small industries.

Ponderosa is primarily a steakhouse, but last June a new concept—the Grand Buffet—was initiated; and Fogelson credits this new idea for the rise in business.

Customers of the Grand Buffet can choose from more than 80 items, including hot appetizers such as chicken wings and popcorn shrimp, entrees, steamed vegetables, pastas and fresh fruit. The Grand Buffet can accompany a steak, fish or chicken-breast order, or it can be ordered as a complete meal of its own.

5 EAST SOUTH CENTRAL

Location: Anniston, AL
Association members:

J.R. Moreland, Chad Uesry
Operation: Long John Silver's
Profile: Fast food, fish restaurant
In business: 12 years
Seats: 84
Meals served: Lunch, dinner

Chad Uesry, manager of one of two Long John Silver's units in Anniston, Alabama, says business is steadily increasing, thanks to a flow of customers from nearby Fort McClellan and from the town itself. Within eight months a new mall is due to open in Anniston, which is 60 miles east of Birmingham, promising to increase business even more.

There are six other fast-food restaurants within a half-mile, but Long John Silver's is the only one specializing in seafood. It offers fish, oysters, clams and shrimp, as well as chicken—all fried in vegetable oil.

6 WEST NORTH CENTRAL

Location: St. Paul, MN
Association members: Roger Atkinson, Larry Windingstad
Operation: White Castle
Profile: One of 13 White Castles in the Minneapolis and St. Paul area
In business: 61 years
Seats: 40
Meals served: Breakfast, lunch 24 hours a day

The White Castle operations in the Minneapolis and St. Paul area are part of a privately owned chain of 228 in metropolitan areas in the Eastern and Midwestern states.

The first White Castle was founded in Wichita, Kansas, in 1921. The small, square hamburgers are still prepared the way they were in 1921—steamed over a bed of onions. But the chain is trying to attract a new generation and has made some changes. For instance, it has recently added a children's meal, and many of the stores now have drive-thru service. And whereas the original White Castles consisted of a counter with stools for five, the newer buildings can seat from 50 to 60 people.

Hamburgers are still the big seller, but a fish sandwich, french fries, onion chips and onion rings are also available. In the Twin Cities area, a deep-fried turkey-patty sandwich sells well—other areas seem to favor the chicken-patty version. There's also a breakfast menu for the St. Paul/Minneapolis stores, which like others in the chain, are open 24 hours a day.

Area assistant manager **Roger Atkinson** says business has been good, which he credits to the new drive-thrus and menu additions.

7 WEST SOUTH CENTRAL

Location: Bethany, OK
Association members: Bill and Vera Brazil
Operation: Brazil Enterprises
Profile: Company owning four Kettle Restaurants
In business: 11 years
Seats: 120
Meals served: Breakfast, lunch, dinner

Kettle Restaurants, usually found near motels in the South and Southwest, are casual, family-style restaurants open 24 hours a day. Kettle Restaurants are known for their breakfast items; the franchise units owned by the Brazils, in the Oklahoma City area, offer crepes, pancakes and waffles made from the restaurants' own recipes.

During the week, a breakfast bar offers traditional fare of bacon, sausage, eggs, etc. On weekends, a smorgasbord also features four meat entrees, vegetables, salads and desserts. All items on the menu are available around the clock. There is at least one dinner special during the week.

Bill and Vera Brazil report that even though the area's economy has been down, their business is up.

8 MOUNTAIN

Location: Reno, NV
Association members: Joe Pulliam, Michael Schulson, Harry Sax
Operation: Arby's
Profile: One of 42 franchise units owned by Lunan Corp., Chicago
In business: 10 years
Seats: 80
Meals served: Lunch, dinner

The Arby's on the main strip of Reno is one of two in the city, owned by Lunan Corp., Chicago—owners of 41 other Arby's units in Las Vegas and Chicago.

Reno is known for its casinos; but the town, in the Sierra Nevada range and 30 minutes from Lake Tahoe, also attracts vacationers, conventioneers and local citizens. The other Reno Arby's is in Sparks, a bedroom community, and attracts mainly families. "We do well," says director of operations **Joe Pulliam.** "We could use another store." The town is becoming more aggressive in attracting new businesses; new shopping centers are opening in the area, making for a healthier economy.

Arby's now offers 13 or more different sandwiches, but the roast-beef sandwich is still the biggest seller. Six months ago the restaurant began offering curly fries, a breaded and seasoned french fry, that now accounts for 8 to 10 percent of sales. Desserts include milkshakes and Eli's famous cheesecake.

The Reno Arby's is freestanding, with a drive-thru.

9 PACIFIC

Location: Kent, WA
Association member: Mike Cuzzetto
Operation: King's Table
Profile: Buffet-style restaurant belonging to Horn & Hardart chain
In business: 15 years
Seats: 160
Meals served: Lunch, dinner

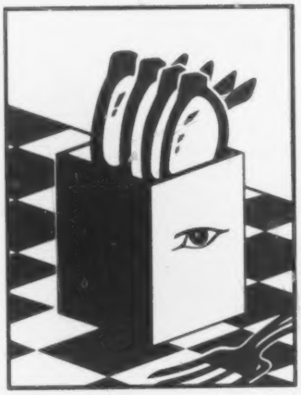
King's Tables, owned by Horn & Hardart and found in the West, offer a buffet that gives diners a choice of as many dishes as they like from the salad, entree, beverage and dessert sections of the menu—all at one fixed price.

Thursdays are family nights; the charge for children is based on their ages, and the menu features certain items, such as pizza and banana splits, guaranteed to please the youngsters. The restaurant aims to attract seniors, too, by issuing them cards entitling them to a discount.

The Kent King's Table is a freestanding building in a small shopping complex, 10 blocks from the city's center. The once-rural area is growing, thanks to an ever-expanding Boeing plant in Seattle, 12 miles away. Business is good, says manager **Mike Cuzzetto,** with this year's customer count slightly above last year's.

—Julie Fintel

FOOD FOR THOUGHT



An eye-opener

Carolyn Rosner of Warrington, Pennsylvania, discovered that she wasn't the only one who frequently forgot to bring her glasses to a restaurant and then couldn't read the menu. Through an informal polling of friends, she found that it was a pretty common problem. So she created "Dining Eyes," a portable cube that holds three pairs of reading glasses of low, medium and high magnification, and that can be placed on the table—or brought to the table on request—for far-sighted customers to use.

The Dining Eyes cube costs $50 and comes with cards that can be attached to menus announcing the service.

—Dining Eyes, Incorporated

Nashville gets a taste of the islands

Island paradise in Nashville, Tennessee? It may seem improbable, but owners of the newly opened Rainbow Key restaurant in the country-music capital of the nation want their patrons to experience something completely different—a tropical oasis. Glen Smith and Jay Young traveled throughout Florida, Mexico and the Caribbean researching the theme for their new restaurant. And they brought back plenty of ideas. A full-size, crimson lifeguard stand; tables made from surfboards; and oil drums painted with island scenes and converted into barstools for the bamboo bar give an island mood. Ceramic parrots hang from palm trees, and servers wear Hawaiian shirts and shorts. The food, too, has a tropical flair. Coconut shrimp, Jamaican jerk chicken, conch fritters and Key Lime pie are just a few of the offerings.

Adventurous customers can grab a Hula-Hoop if they are in the mood, or even try their hand at the limbo stick. The whole point is for everyone to follow the restaurant's adopted theme song as sung by Bobby McFerrin, "Don't Worry, Be Happy."

—Sharp McQueen & Associates, Inc.

Why do good workers quit?

When a good worker walks, it's not usually because the salary is low. Robert Half International, a firm specializing in recruitment, asked managers, executives and personnel directors, "Why do good employees quit?" Here's a report of the findings:

☐ 47 percent said that employees felt that opportunities for advancement were limited

☐ 26 percent listed lack of recognition as a problem

☐ 15 percent said that unhappiness with managers was a main reason for leaving

☐ 6 percent pointed to inadequate salary or benefits and

☐ 6 percent said employees were bored with their jobs.

—American Express Travel-Related Services

No no-shows

Washington DC restaurant Jean-Louis reported 100 percent attendance for its New Year's Eve celebration this year—not a single no-show. How did the restaurant manage such a feat? By calling each reservation three times. Three days before New Year's Eve, the call was simply to confirm the reservation. Two days prior to the big night, the call confirmed the exact number in the party. The day before, the restaurant called to make sure there was no change in plans.

That's a lot of dialing, but the effort was clearly worth it. Jean-Louis was determined to avoid last year's New Year's Eve attendance record, when one-third of the promised patrons never showed.

—The Washington Post

Another pizza breakthrough?

Pizza Hut and Marriott will be working together to serve personal pan pizzas from 900 kiosks nationwide in locations such as airports, hospitals, and business and educational facilities. Marriott test-marketed the kiosks, selling the individual deep-dish pizzas for 11 months, before the two companies decided to go ahead with the plan. Even though the kiosks will not bring a large profit to Marriott, both companies look forward to the exposure that the kiosks will bring.

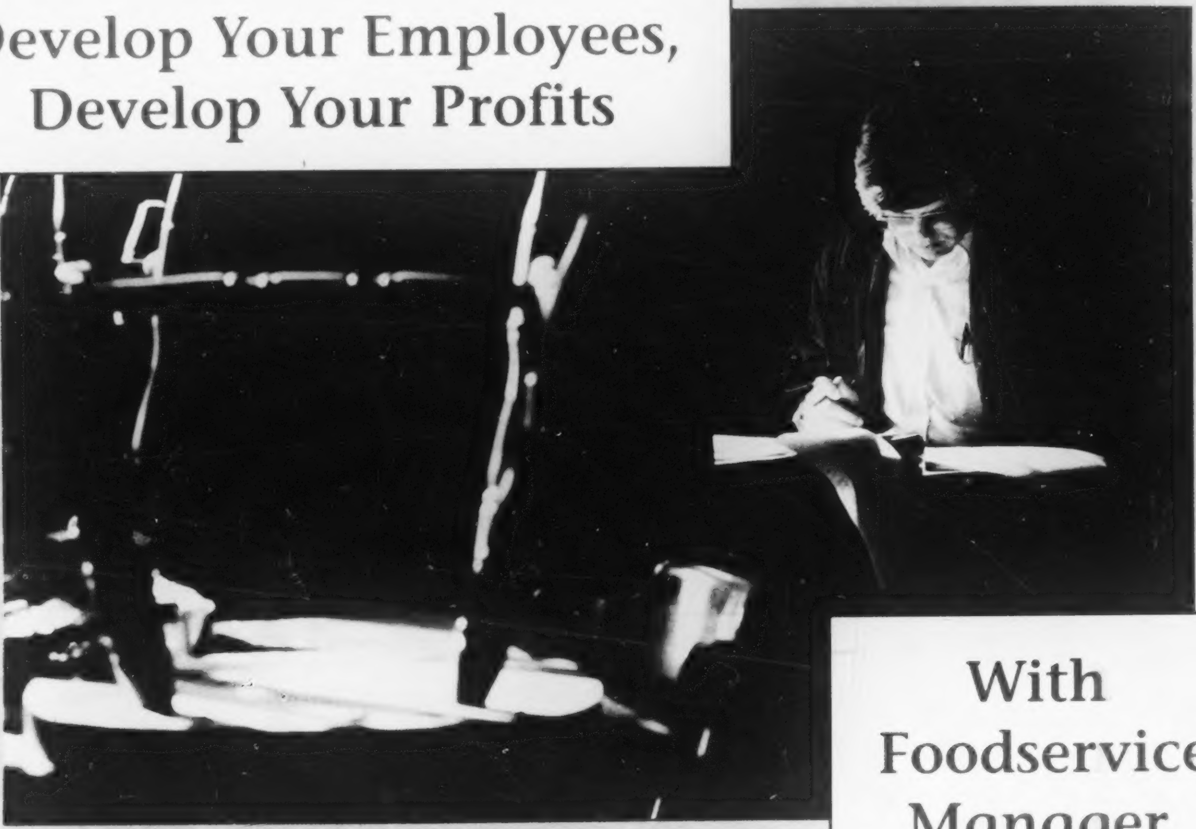
—The Washington Times

From Russia—with humor

A Russian comedian pitching an American hotel chain? Best Western International is betting that standup comic Yakov Smirnoff, who was born in the Soviet Union and became a U.S. citizen in 1986, will encourage consumers to discover its hotels and motor inns through his peculiar brand of humor, in which he "innocently discovers" things that make up the American way of life. The company has launched a $14 million TV, radio and print advertising campaign that features the popular performer.

Smirnoff wrote a series of travel-related jokes and tested them in his standup routine so that the material that drew the best response could be incorporated into the Best Western ads.

—Best Western International News



Develop Your Employees, Develop Your Profits

With Foodservice Manager Self-Development Courses

Cultivating your staff with excellent training improves service to your customers *and* shows your employees that your care about their development as managers. Self-study courses from the Educational Foundation of the National Restaurant Association are a low-cost, low-risk way to train employees in areas critical to their success. They **don't have to take off time from work** to attend classes. They study at their own pace, whenever and wherever it's convenient. And the $50 enrollment fee includes all the course materials they need.

4 Ways to Use Courses:

- **Identify employees with promotion potential**—if employees express an interest in self-improvement, you know they're worth keeping!
- **Set a track for promotion**—when employees complete courses you require, they could be eligible for responsibility or salary advancement.
- **Establish a tuition reimbursement program**—you pay half the cost, your employee pays half the cost, and when they complete the course, you could refund $10—total out of pocket cost to you only $35!
- **Motivate employees**—offer these courses as a reward for good performance.

Current Titles Include:

- Service: Managing the Guest Experience—NEW!
- Protecting Restaurant Profits: Managing Security—NEW!
- Effective Communication for Today's Restaurant Manager
- Managing People
- Bar and Beverage Management and Control
- Helping Employees Grow
- Restaurant Management and Operations
- Restaurant Purchasing

Each Course Includes:

- Condensed and highly-readable text.
- Comprehensive study guide.
- Individual attention from instructors who grade assignments, comment on progress and answer questions.
- Certificate of completion, suitable for framing and display.

For More Information:

- **Call toll-free:** 1-800/522-7578
- **Call direct:** 312/715-1010
- **Or write to:** The Educational Foundation of the National Restaurant Association, 250 S. Wacker Drive, Suite 1400, Chicago, IL 60606-5834

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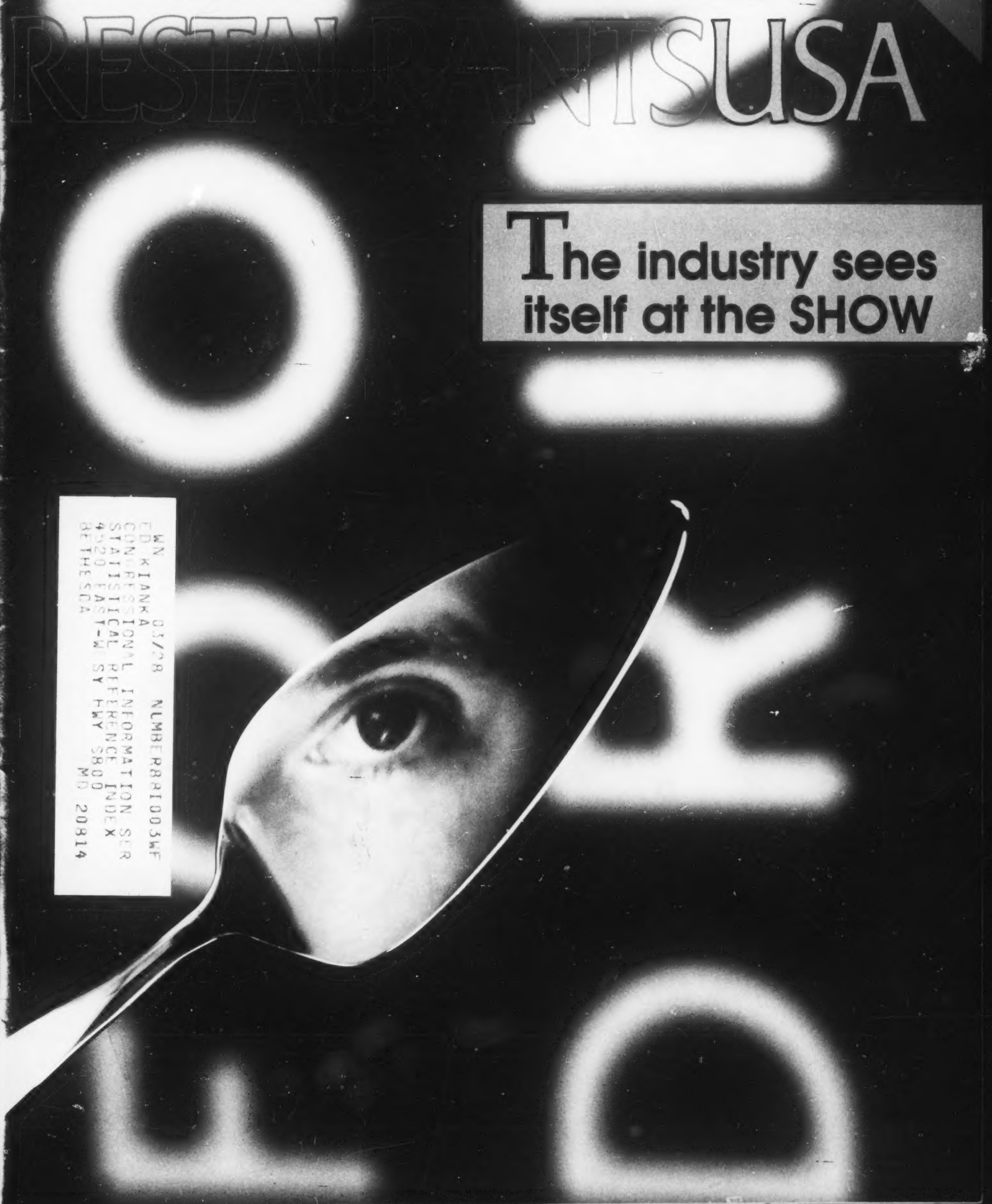
SHOW PREVIEW

THE MONTHLY MAGAZINE OF THE NATIONAL RESTAURANT ASSOCIATION VOL. 9 □ NO. 4 □ APRIL 1989

RESTAURANTS USA

The industry sees itself at the SHOW



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ASSOCIATIONMEETINGS

SEMINARS

Basic Foodservice Courses

Dining Room Management

4/18	Grand Rapids, MI
4/19	Milwaukee, WI
4/26	Chicago, IL
5/2	Washington, DC
5/29	Calgary, Alberta, Canada
5/30	Vancouver, BC, Canada
6/6	Cincinnati, OH
6/7	Louisville, KY
6/13	Atlantic City, NJ
6/20	Indianapolis, IN
6/22	Chicago, IL

Kitchen Management

4/17	Washington, DC
4/19	Chicago, IL
4/24	Austin, TX
4/25	Fort Worth, TX
5/8	Portland, OR
5/9	Seattle, WA
5/16	Colorado Springs, CO
6/6	Harrisburg, PA
6/12	Chicago, IL
6/12	Los Angeles, CA
6/13	Burlingame, CA
6/27	Honolulu, HI

Foodservice Management Courses

Banquet Management

6/6	Minneapolis, MN
6/8	Cambridge, MA
6/14	Chicago, IL

Food Cost Management

4/25	King of Prussia, PA
4/26	Rockville, MD
6/6	Seattle, WA
6/7	Eugene, OR
6/15	Chicago, IL
6/27	Portland, ME

Off-Premises Catering

4/25-26	San Antonio, TX
5/24-25	Miami, FL
6/6-7	San Francisco, CA

Planning Successful Buffets

4/17	Hartford, CT
4/24	Chicago, IL
5/8	Boston, MA
6/12	Portland, OR
6/13	Seattle, WA
6/26	Chicago, IL

Profitability

4/17	Chicago, IL
6/7	New Orleans, LA
6/8	Tampa, FL
6/19	Chicago, IL

Seminars Scheduled During Show

5/21	Banquet Management
5/21	Creating, Planning and Implementing Successful Buffets
5/21	Dining Room Management
5/21	Do it Yourself Public Relations
5/21	Food Cost Management
5/21	Hiring In a Tight Labor Market
5/21	Increasing Sales
5/21	Kitchen Management
5/21	Menus that Sell
5/21	Perfecting Your Culinary Skills
5/21	Profitability
5/21	Soups and Sauces

For information, contact:
Educational Foundation of the National Restaurant Association
250 South Wacker Drive
Chicago, IL 60606
(312) 715-1010 or 1-800-522-7578.

If your company is interested in our in house programs, call or write to the attention of Jeff Harrison at the above address.

EXECUTIVE STUDY GROUP SERIES

Food Purchasing Managers
5/18–19 Chicago, IL

Management Information Systems
4/18–21 San Antonio, TX

Marketing Executives
5/17–20 Chicago, IL

Multi-unit Architects, Engineers and Construction Officers (MAECO)
5/17–19 Chicago, IL

Quality Assurance
4/26–28 Cincinnati, OH

The Executive Study Groups present semi-annual professional development programs for executives who would like to meet with their industry peers to share ideas and concerns. Executives in each of the aforementioned disciplines from member foodservice companies are welcome and encouraged to participate.

For more information on specific study groups, contact: Philip Kralovec, (312) 853-2525.

National Restaurant Association Restaurant, Hotel-Motel

SHOW

May 20-24
Chicago, IL

NATIONAL
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PRESIDENT'S REPORT

Jim L. Peterson, President and Chief Executive Officer
Whataburger, Inc., Corpus Christi, TX

Minimum wage passes House

The minimum wage issue is on the Congressional burners. On March 23, the House of Representatives passed legislation to increase the minimum wage to $4.55 per hour over the next three years with a training wage at 85 percent of the minimum for first hires.

President Bush, who has called for an increase to only $4.25 and a training wage for *all new* hires, is likely to veto the legislation in its present form. The Senate is expected to take action on its version of the minimum wage bill after its Easter recess.

Your association is opposed to any increase in the minimum wage. Through a tremendous grassroots effort, similar legislation was stopped last year. Call or write your Senators today to express your feelings on this issue and to prevent a hike in the minimum wage.

Alternative bill to parental leave would give tax incentives

Parental leave continues to be an issue of great concern to the foodservice industry. An alternative bill, recently proposed in the House of Representatives, is designed to encourage "family-sensitive employment policies" through tax incentives. The bill would allow a company a 50 percent deduction for the cost of providing family leave to workers who need extended time off to care for a newborn or sick child, spouse or parent. Representative Thomas Bliley (R-VA), who introduced the bill, says it will give employers incentives to help employees meet family demands

Your association continues to oppose parental leave, and it is pressing for such alternative proposals and for legislation that will foster the creation of more child-care facilities.

Help repeal cumbersome Section 89

Section 89 of the tax law, which requires employers to run tests to see whether benefit plans discriminate in favor of higher-paid workers, is proving to be complicated, cumbersome and costly, as many of you have discovered. Though new measures have been taken by the IRS to ease compliance by employers, your association supports a repeal of Section 89. The repeal bill, introduced to the House by Congressman John LaFalce (D-NY) and to the Senate by Trent Lott (R-MS), already has nearly 200 supporters in the House. A strong public opposition to Section 89 will hasten its repeal. Please write or call your congressional representative.

Dinner decision study has valuable marketing info

A National Restaurant Association study offers new insight into the decisions made by the consumer in choosing a restaurant, insights that could be used in your marketing strategies. *Dinner Decision-Making: A Consumer Attitude Survey* provides valuable demographic information about the customers who patronize certain types of establishments.

According to the survey, consumers decide what type of establishment to patronize based on one of five major reasons: desire for amusement, desire for a nice meal out, a craving, desire to make certain everyone gets something to eat, and desire to eat conveniently.

Copies of the study are available through the association's publications department. The cost is $25 for members and $50 for nonmembers, plus postage and handling.

Pro-Motion focuses on environmental, community issues

The Bush administration is asking private citizens and businesses to lend a hand with regard to environmental concerns and assistance to the disadvantaged. The association's latest "Pro-Motion" newsletter provides information on how restaurateurs can position themselves as community leaders. Covering such topics as recycling, raising funds for charities and feeding the homeless, this special issue gives tips on how you can win favorable publicity and new patrons while you help those who need help the most. Subscriptions to "Pro-Motion" are available through the communications department at the association's Washington office.

Association task force spearheads industry waste management efforts

Disposal of solid waste is rapidly becoming a major community problem in this country. Although foodservice accounts for less than one-third of one percent of all solid waste in the nation's landfills, our industry is often singled out and blamed for the solid-waste problem.

An association task force has been appointed to spearhead the industry's efforts to resolve our waste problems. The task force is directed to help solve the problem on the national level, but individual foodservice companies should be introducing voluntary measures and working with officials on the local level.

The association cautions all communities to avoid single solutions to waste problems and to consider multifaceted strategies that include a variety of promising techniques. Included among these are source-reduction, voluntary recycling programs, waste-to-energy conversion and limited land filling.

Come to the Show

There is still time to clear May 20 through May 24 on your calendar and prepare to attend the National Restaurant Association Restaurant, Hotel/Motel Show. During the Show, Chicago's McCormick Place will showcase 1,800 exhibitors and dozens of educational programs. Plan now to join me and more than 100,000 of your colleagues in Chicago. This event is not to be missed if you want to stay abreast of industry trends and developments.

Welcome new members

Last month, 109 new members joined your association. We welcome them among our ranks and assure them that their participation in our programs will strengthen both their own businesses and the industry as a whole.

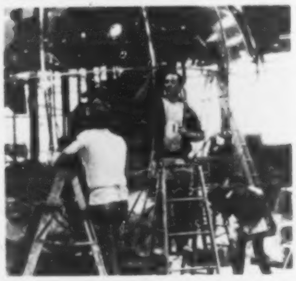
Sincerely,

Jim L Peterson

Jim L. Peterson
President and Chairman of the Board

RESTAURANTS USA

COVER STORY: THE INDUSTRY SEES ITSELF AT THE SHOW



20 The 70th Annual National Restaurant Association Restaurant, Hotel-Motel Show to be held in Chicago on May 21 through May 24 will bring together restaurateurs and suppliers from all over the country—and the world. This pre-Show newsletter gives a complete preview of events and attractions and includes a schedule for quick reference.

SPECIALS

8 Can the labor agenda be beaten by small business?
Just what will happen with labor's agenda in Congress is a question that will affect every restaurant in the country, as federal legislation on minimum wage, parental leave and mandated health benefits is poised for action on both the House and Senate floors. This article gives a detailed—and easy-to-understand—analysis of these complicated bills and underscores the importance of grassroots involvement.

12 Treat your people like winners
The key to creating a positive work environment is treating your employees like they are important, productive team members. This sounds simple, but it may involve readjusting some long-held attitudes. This "Year of the Employee" article starts with a self-analysis to assess your people skills and then takes you through exercises to improve your relationships with your employees.

17 Secrets of the aisle
Attending a convention can be tiring, confusing and challenging. And with 1,800 exhibitors at the National Restaurant Association Restaurant, Hotel-Motel Show, the task may seem formidable. Here is an eight-step system to get the full value out of this year's Show.

28 Japan: Land of the Rising Sun beckons to American foodservice
Despite its own complex and all-encompassing culture, Japan is a country open to Western customs and ideas—especially U.S. food and dining styles. Foodservice companies from the United States have experienced great success selling "all-American" products, including pizza, fried chicken, burgers, bagels and ice cream, to an eager Japanese market. Don't miss the Foodservice Trends Special on foreign travel to the United States and how restaurateurs can capture the lucrative tourist market.

なるほど,ほんもの,-
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34 Sausages—new varieties
The sausages of today are a far cry from their traditional roots, as chefs experiment with a variety of ingredient combinations and presentations.

DEPARTMENTS

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"Early Bird" report from Florida Restaurant Association

Early Bird dinners are a solid marketing tool for restaurateurs and a very good buy for the dining public, according to a comprehensive survey by the Florida Restaurant Association (FRA), which included member restaurants from all over the state.

Seventy-seven percent of the restaurants offering Early Birds reported that their customer count has increased as a result. Of that total, 11.3 percent said their patron count is up between 26 and 30 percent, and 26.1 percent indicated an 11 to 25 percent gain. Another 24.8 percent realized an increase of 1 to 10 percent.

Just over half—50.9 percent—of FRA member restaurants offer Early Bird specials, the survey showed, and a third of the Early Bird restaurants have had these specials for more than five years.

Other findings:

☐ The average Early Bird check is $7.46, compared to $9.83 during regular hours.

☐ Sixty percent of the Early Bird restaurants have a different menu during the special hours.

☐ Of those restaurants with Early Bird specials, 85 percent offer the discounted meals on weekends as well as weekdays.

☐ Eighty percent of the restaurateurs reported that more than half of their Early Bird patrons are older than 55.

Domino's targets corporate customers

Domino's two Manhattan outlets are targeting corporate customers in the Wall Street area and are testing acceptance of the American Express card.

Meat buyers guide updated

THE MEAT BUYERS GUID
NAMP

The National Association of Meat Purveyors (NAMP) has updated *The Meat Buyers Guide*—the first revision in 12 years. The new edition has been expanded by more than 80 pages and includes USDA's revised Institutional Meat Purchasing Specifications (IMPS), new full-color photos of cuts and a glossary of commonly used terms for hotel, restaurant and institutional foodservice meat buying.

A completely new section has been added for "Further Processed Meats and Byproducts." Also new are marbling photographs, which describe grading levels, and a NAMPometer that identifies safe cooking and storage temperatures.

The new edition of *The Meat Buyers Guide* is on sale for $35 plus $3.75 postage through the NAMP office. For more information contact NAMP at (703) 827-5754 or by mail at 8365-B Greensboro Drive, McLean, Virginia 22102.

A summer work/study experience at Furr's Cafeteria

More than $257,000 in scholarships, fellowships and grants was awarded by the Educational Foundation of the National Restaurant Association to foodservice/hospitality students, educators and administrators in the 1988–1989 academic year.

Some 1,200 students from around the country competed for 157 scholarships ranging from $500 to $10,000. The scholarship applicants were judged on criteria that included cumulative grade-point averages, professional goals, foodservice work experience and financial need. Scholarships were awarded to students of both two and four-year programs.

The educational foundation also awarded teacher work/study grants and seven fellowships to instructors and administrators of foodservice/hospitality programs.

The $2,000 teacher work/study grants provide hands-on experience for award recipients during an eight-week work period spent in a foodservice/hospitality line or staff position. The seven fellowships are awarded to foodservice/hospitality teachers or administrators to continue their studies at the graduate level.

For further information, contact: The Educational Foundation of the National Restaurant Association, 250 South Wacker Drive, Suite 1400, Chicago, IL 60606-5834, or call (312) 715-1010.

I was one of the fortunate recipients of a work/study grant offered by the Educational Foundation of the National Restaurant Association

Arby's new "Hall of Fame"

Arby's, Inc. has created the "Arby's Hall of Fame" and has inducted five exemplary employees as its first members.

Arby's Hall of Fame honors employees who have exhibited commitment to the company through consistently good work and tenure. The first inductees are Karen Sheiledy, director of franchise administration, who has been with Arby's 11 years; George Nadvit, vice president of operations, 17 years; Dick Holbrook, vice president, operations development and training, 18 years; Ruth Bresnahan, director of compensation and benefits, 19 years; and Larry Krueger, senior vice president, marketing, 9 years.

"1989 is our 25th anniversary, and we wanted to create a prestigious, lasting honor for employees who have made substantial contributions," said Leonard Roberts, Arby's president and chief executive officer. "Karen, George, Dick, Ruth and Larry are real heroes within our organization. They're the ones behind the Arby's personality."

Each year, one or two additional employees will be inducted into the Hall of Fame.

"Cheers" star at DC Bartenders' Ball

Kelsey Grammer, star of the NBC-TV hit "Cheers," is flanked by compatriots Linda Jackson (left) and Lori Saltz at the Eleventh Annual Washington DC Bartenders' Ball. This year marked the fourth year in a row that Grammer flew out from California to partake in the fundraiser, which will contribute more than $80,000 to local charities.

Educating the educator. Mort Sarabakhsh learned a lot from his fellow line workers at Furr's Cafeteria in San Diego. Sarabakhsh's employment at the cafeteria was sponsored by a work/study grant from the association's educational foundation.

in 1988. The basic goal of this grant is to encourage hospitality educators to work in the industry and to share their experience with students. I worked more than 320 hours at Furr's Cafeteria in San Diego, California.

According to my work/study grant, I had to work in a line or staff position, not as a consultant or researcher. Working as a line employee was an exciting and interesting experience because I observed the operation from an employee's point of view rather than as a manager. I worked in both the front and back of the house.

After a video orientation, I began as a server in the cafeteria line. I served salads, entrees, vegetables, breads, desserts and beverages. I was struck with how servers on the cafeteria line can increase food sales and guest tickets by their suggestions to customers. For example, I observed that some guests were overwhelmed by the large variety of food in front of them. These guests could not make up their minds and make a selection. This uncertainty on the part of guests hampered traffic flow. If a cafeteria serves between 1,200 and 2,000 customers per day, as we did at Furr's, it cannot afford to slow down its traffic line. Assisting guests by suggesting an item adds to efficiency. My experience showed that most guests take the server's suggestions.

Kitchen: favorite post

Working in the kitchen was my favorite part of the experience. I used a variety of commercial kitchen equipment, and I prepared vegetables and salads, fried foods and baked entrees, pies and cakes.

More than 70 percent of Furr's employees were Hispanics, and many did not speak English well. Many of these employees had immigrated from Mexico and were granted permanent residency under the new immigration amnesty law passed by Congress. To communicate better, I attempted to learn Spanish words and phrases. This initiative impressed my Hispanic colleagues and opened up a lot of doors for better communication. Other employees were originally from the Philippines, Cuba, Haiti and Cambodia. They were intelligent and hardworking employees.

I learned that our students need to cultivate a positive attitude toward employees who cannot speak English, since an employee's intelligence and ability usually bear no relationship to his or her ability to speak a language. I will now advise my students to add a second language as part of their education in the hospitality curriculum.

In sum

I think an educator in any discipline, but especially in the hospitality field, needs to come out of the classroom and work in the field; and then he or she must share these practical experiences with students. Practical experiences give faculty a realistic view of the hospitality industry. Our students need and deserve to be trained for a pragmatic world. We must not fail them.

—Mort Sarabakhsh, Ph.D., C.H.A., Director of Hotel, Motel, Restaurant Management Program, North Dakota State University

WASHINGTON REPORT

Update

House votes to raise minimum wage

On March 23, the U.S. House voted 248 to 171 to raise the minimum wage from $3.35 an hour to $4.55 an hour by 1991 and to create a new 60-day training wage of $3.35 for first-time job holders.

If passed by the Senate in its current form, the legislation invites a veto from President Bush, who has said he will not accept more than $4.25 an hour and wants a six-month training wage of $3.35 for all newly hired workers—not just first-time job holders. The National Restaurant Association is now lobbying members of Congress to support President Bush in his likely veto.

Thanks to months of heavy pressure from restaurateurs and other businesspeople, the House measure includes provisions to move the tip credit to 50 percent and bring more businesses under the small-business exemption.

The vote in the House was unexpectedly close, leaving pro-wage-hike advocates less confident that they'll be able to muster the two-thirds majority needed to override a presidential veto. Voting margins in the Senate are also expected to be tight.

By a vote of 98-321, the House defeated an amendment by Rep. George Miller (D-CA) to increase penalties against employers who violate the minimum-wage and overtime provisions of the Fair Labor Standards Act.

DC ROUNDUP

☐ *Half of House supports "89" repeal.* More than 250 members of the House have thrown their weight behind H.R. 634, a bill to repeal complicated new "Section 89" tax laws that require employers to run tests to see whether benefit plans discriminate in favor of higher-paid workers.

Restaurateurs are among the thousands of employers finding that complying with the law is both costly and cumbersome. Even the Internal Revenue Service took more than two years to write regulations to explain the law, releasing only a partial set of rules in the March 7 *Federal Register.*

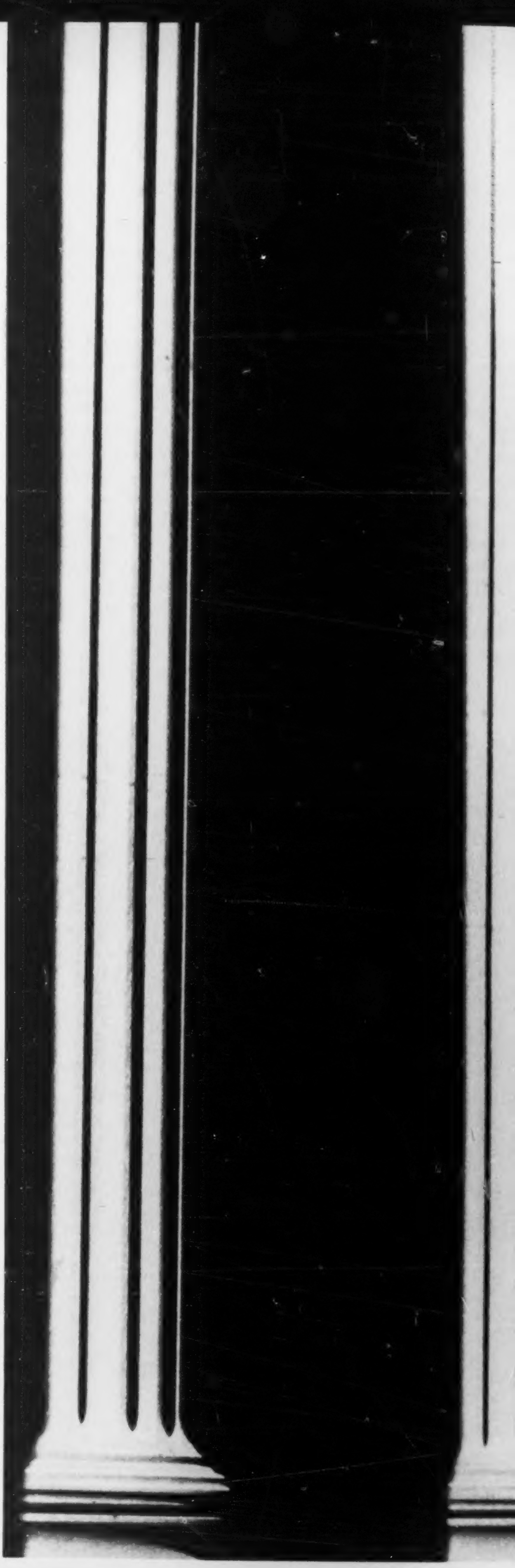
The National Restaurant Association urges its members to keep reminding Congress about problems with Section 89.

☐ *Treasury votes "no" on TJTC extension.* On March 15, the U.S. Treasury Department argued against extending the Targeted Jobs Tax Credit (TJTC) beyond its expiration date of December 31, 1989, claiming the credit does not encourage employers to hire targeted employees.

The National Restaurant Association disagrees and is lobbying for an extension. It is supplying Congress with statistics and TJTC success stories in foodservice operations.

☐ *High-risk bill resurfaces.* Sen. Howard Metzenbaum (D-OH) has reopened the debate on whether to create a new federal bureaucracy to notify workers that they may face job-related health risks, introducing S. 582 on March 15. Hard-fought employer battles were responsible for defeating similar legislation last year.

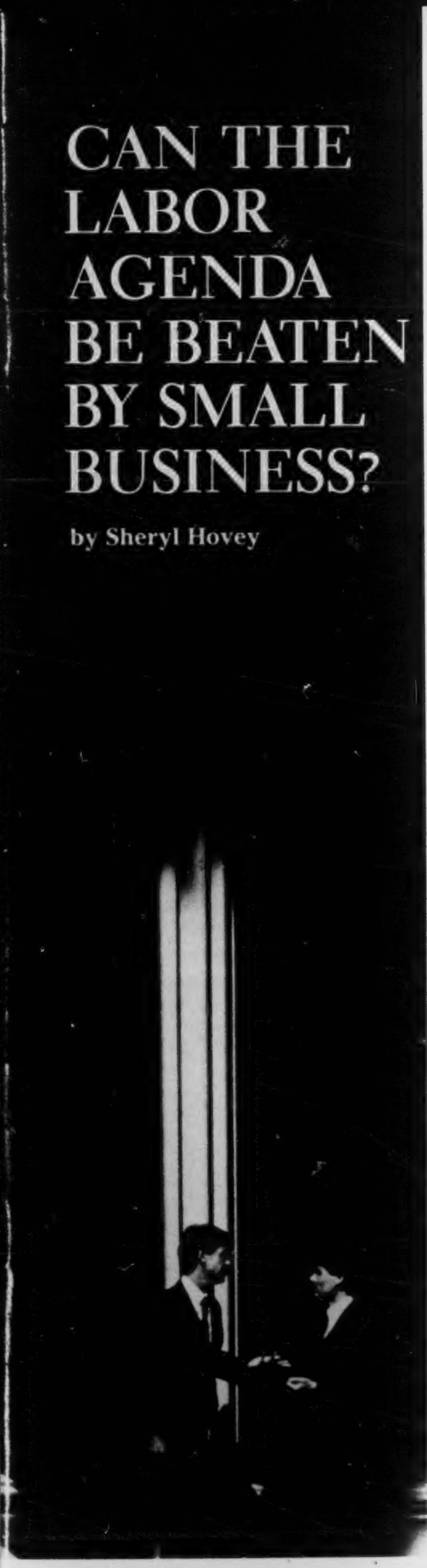
—Denise Roach



Julie Houck/Uniphoto

CAN THE LABOR AGENDA BE BEATEN BY SMALL BUSINESS?

by Sheryl Hovey



John Weichman runs Weichman's All Seasons Restaurant, one of the most popular restaurants in Mobile, Alabama. Still, in an area hit hard by tough times in the oil business, his profit margin is only 2 to 7 percent before taxes. But that profit could be wiped out quickly by unforeseen events, notes Weichman, such as the passage of legislation on labor's agenda—raising the minimum wage, mandating parental leave and employer-paid health-care benefits. If passed, "these bills will affect our very survival," he contends.

That's why small business is working together to try to prevent these bills from becoming law, building on earlier lobbying successes. "Before last year's battle, labor didn't think about small business's ability to respond and put pressure on Congress," says Weichman. "Now labor is probably burning candles to figure out a way to neutralize our impact. We're going to be prepared for an even harder fight this year."

Minimum wage—the first battle

Small business's first battle is over the minimum wage. Capitol Hill lawmakers have made raising the current $3.35-an-hour minimum to $4.65 over the next three years one of their top priorities. Stalled for the past two years by former President Reagan's staunch opposition to any increase, the debate is likely to take a different turn this year.

Already, the House has okayed a bill to raise the wage to $4.55 by October 1, 1991, and the Senate is likely to follow suit early this month. Both House and Senate bills include a number of concessions to business groups, including the National Restaurant Association-driven push for a higher tip credit and a wider exemption for small businesses.

Still, the legislation promises to draw fire from President Bush, who has vowed to veto any legislation that raises the minimum wage above $4.25 an hour and does not include a six-month training wage for new hires. The House bill proposes a limited training wage, available only for 60 days and only to first-time job holders. A presidential veto is almost certain.

The proposed wage rates continue to raise the ire of small business, which has consistently fought any increase in the minimum wage. "We feel the marketplace has worked well, so we feel the marketplace should rule," says National Restaurant Association President and Chairman of the Board Jim L. Peterson. If passed, legislation raising the minimum wage would result in higher labor costs. To absorb those costs, employers would have to cut back on the number of workers they employ or pass the bill along to customers, say small-business owners. Businesses struggling to break even would probably be forced to close their doors because the added costs would be too large to pass along.

Weichman, who employs 67 workers, estimates that a minimum-wage increase of 50 cents an hour would cost him close to $50,000 a year. "Since I don't get increased productivity from my workers, it's strictly an inflationary step that I would try to pass on," he says. But he anticipates that such a pass-on would cost him customers.

Small business is flooding Congress with messages

Last year, small business persuaded Congress to reject high wage hikes. Hoping for a similar outcome this year, small-business owners are flooding congressional offices with letters, mailgrams and phone calls urging their representatives to oppose this year's proposal. Many are also visiting those offices to deliver their messages in person.

Grassroots participation is the key to effective lobbying, says National Restaurant Association Government Affairs Director Mark Gorman. "Any senator or congressman will tell you that it means a lot more to hear from his own constituents about how a minimum-wage increase is going to affect their businesses than it does to have an association lobbyist give the big picture."

Last year, members of the National Restaurant Association sent 102,000

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> ***"We think that the more they know about how this legislation will affect small business, the more likely they are to vote against it."***

messages to Congress opposing the increase in the minimum wage. On the day the Senate dropped the bill more than 300 association members were in the Capitol, poised to visit their representatives. "It is this kind of grassroots activity that can change the course of legislation," says Gorman.

Also effective in the battle to stop proposed increases is the Minimum Wage Coalition To Save Jobs. Its members, small business and service sector people, continue to study the effects of raising the minimum wage, to educate new congressmen, to remind others of small business's position and to coordinate lobbying campaigns among small-business groups. The coalition was instrumental in getting the President to moderate his call for a minimum-wage increase by including a training wage.

Public favors increase

In its battle to prevent a minimum-wage increase, small business faces a number of formidable opponents, including public opinion. A Gallup poll released last summer revealed that 76 percent of Americans—regardless of political party, age, sex or geographic area—favor a minimum-wage increase; only 24 percent oppose it.

The Citizens Committee For A Just Minimum Wage, a coalition of some 70 labor, civil rights, religious and women's groups, is leading the charge for a minimum-wage increase. The committee says the current minimum wage is unacceptable because it has stayed the same since 1981.

Small business disagrees, pointing to Department of Labor (DOL) statistics produced in March. If the minimum were raised to $4.65, DOL calculated that 650,000 jobs would be lost. However, if the administration's proposal of an increase to $4.25 an hour were adopted, 450,000 jobs would be lost. That number would drop to 220,000 jobs if a training wage, an increased tip credit and a small business exemption of $500,000 were included in the legislation.

Contrary to labor's contention, increasing the minimum wage is not the way to help lift workers out of poverty, says small business. When wages rise, the first to lose their jobs are the least skilled, least productive and least experienced workers—precisely those earning less than the new minimum.

Parental leave—a high priority

Another high-priority item for legislators this year is parental leave. The House labor committee last month approved a bill requiring employers to give unpaid, job-protected leave to workers with newborn or adopted children or to those with seriously ill children or parents. The Senate labor panel is expected to give its okay to the bill early this month. Floor action on both bills may also come this month.

The legislation has garnered a good deal of bipartisan support in Congress, and legislators want to move it along quickly. However, the executive branch does not take the same view. In fact, Labor Secretary Elizabeth Dole says she will recommend that President Bush veto any legislation that requires employers to provide parental leave.

Small business is not happy with the idea of mandated leave either. By mandating parental leave, the government would limit the flexibility of employees to choose other, more appropriate benefits for themselves. At the same time, the legislation would preclude employers with limited operating budgets from offering other benefits, such as dental insurance or tuition benefits.

The legislation is fraught with other problems. Although often termed a unisex bill, mandated parental leave would tend to have an adverse affect on job-hunting women of childbearing age, some opponents say. Companies might hesitate to hire women in their fertile years for fear they might take leave and disrupt business. And if someone does take leave, employers must train a replacement; then later they must decide what to do with the temporary worker when the person on leave returns to work. And although a company would save the salary of the worker on unpaid leave, it would still have to provide health insurance and other benefits.

Costs "inconsequential" says GAO

The costs of unpaid leave to all employers would be inconsequential, according to the Government Accounting Office (GAO). It estimates that the Senate bill would cost employers $236 million yearly to continue health insurance for the slightly more than 2 million employees who would be likely to take unpaid leave. Under the proposal, employers would suffer lit-

Labor's legislative agenda in brief

☐ **Raising the minimum wage:** The House has approved a bill to raise the wage to $3.85 on October 1, 1989, $4.25 on October 1, 1990, and $4.55 on October 1, 1991. Included are increases in the small business exemption to $500,000 and increases in the employer tip credit to 50 percent. The bill also establishes a 60-day training wage at 85 percent of the minimum for first-time job-holders.

Senators are more likely to vote on their bill early this month. Leading Democrats want to hike the wage to as high as $4.65 in three years. They remain opposed to any training wage.

☐ **Mandating parental leave:** Both Senate and House bills would require companies to grant 10 weeks of unpaid, job-protected leave to parents of tle, if any, added costs while adjusting to the temporary absences of workers, GAO says.

Small business counters that these projections are too low because they fail to include training and advertising costs, overtime for workers filling in for those on leave and the additional administrative costs.

In their efforts to thwart the passage of parental-leave legislation, small-business groups constantly monitor the legislation, keeping small-business owners abreast of its status. At the same time, they encourage their members to tell their representatives about the repercussions such legislation could have on their businesses.

The National Federation of Independent Businesses (NFIB) goes one step further in learning which congressmen haven't made up their minds about the legislation. Those are the people small-business owners are asked to talk to, notes NFIB lobbyist David Rehr.

When the full House and Senate are about to consider the bill, there will be a massive grassroots effort by small business to swamp congressional offices with personal visits, mailgrams, letters and phone calls—reiterating opposition. "We're continually educating Congress that these bills have two sides," notes Katherine Mance, vice president of the American Retail Foundation, an umbrella association in Washington DC that represents the interests of 40,000 small-business owners.

Small-business owners are also working against mandated parental leave as part of the Concerned Alliance of Responsible Employers (CARE). Made up of more than 150 businesses and trade associations (including the National Restaurant Association, a founding member and a top leader of the group), CARE coordinates business's efforts to fight this issue. CARE wants Congress to see that business is united in its concern about parental-leave legislation and has organized grassroots opposition to the mandate.

Despite such concerted efforts, small business is fighting public opinion on this issue. A June 1988 polling of American voters by a Boston research firm showed that 62 percent favor family-leave legislation. And the Family and Medical Leave Coalition, a staunch advocate of parental-leave legislation, has mushroomed its ranks from 45 organizations last year to more than 100 this spring.

Nonetheless, small business's constant lobbying on the Hill has put doubts in legislators' minds about the merits of these bills, says NFIB's Rehr. "We think that the more they know about how this legislation will affect small business, the more likely they are to vote against it."

Mandated health insurance second try

Congress has moved more slowly on legislation mandating employer-paid health benefits. Bills from both houses on this issue are expected out this spring. When introduced, Hill sources say they will probably look much like last year's legislation. Those proposals mandated health-insurance coverage for employees working more than 17½ hours a week and for their families, regardless of a pre-existing medical condition.

Small business is opposed to the legislation for a number of reasons, says National Restaurant Association Government Affairs Director Gorman.

In its battle to prevent a minimum-wage increase, small business faces a number of formidable opponents, including public opinion.

First, small-business owners object to government telling them what benefits to provide. "They legitimately feel they know more about their business and its needs and the needs of their employees [than government does]," Gorman explains.

Then there are the costs involved—roughly $1,500 to $1,800 per employee annually. Not only is that costly, but it's also high in proportion to the wages being paid and the hours being worked, says Gorman. And regardless of whether a teen or other second-wage earner is already covered by family insurance, employers would have to pay for that worker's health-care coverage anyway.

If this legislation becomes law, says restaurateur Weichman, he faces another $120,000 in health-care premiums a year beyond the health-care benefits he already provides. If he decided to pass those costs on, he would have to raise meal prices by more than a dollar.

The total costs of this legislation could be staggering. The Institute for Research on the Economics of Taxation estimates that mandated health-care benefits would increase private-health-insurance costs by $100.3 billion the first year.

Restaurateur Weichman is gearing up for another series of trips to Washington to lobby against this and other legislation. He has established his

newly born, newly adopted or seriously ill children, or to workers with seriously ill parents. Companies would also be required to give workers unpaid time off for a medically certifiable serious illness—13 weeks a year under the Senate bill and 15 weeks a year under the House bill. The Senate bill would cover companies with 20 or more employees, while the House bill would apply to firms with 50 or more employees.

☐ Mandated health benefits: Bills are scheduled to be introduced in both houses this month. They are expected to be similar to last year's legislation. Those bills would have required all employers to provide health-care benefits to employees who worked 17½ hours a week, and to their families. The bills included prohibitions against excluding an individual from coverage because of a pre-existing medical condition.

own grassroots political movement to make area restaurateurs aware of the potential effect of the legislation and to persuade them to travel to Washington with him to lobby their congressmen. "I've convinced them that it's not an expense to spend $500 to $700 to travel to Washington when you might be able to save hundreds of times more than that," he says. "Meeting your congressmen eyeball to eyeball has a much more lasting effect than sending a letter. They know how deep your feelings are."

Small business is preparing for the eventual battle over mandated-health-care benefits in other ways. Some groups are sending informational brochures to business owners and lawmakers that spell out why the legislation will be bad for small business and the economy. Others are looking at incentives such as tax breaks to help small-business owners afford health-care coverage.

Across the battle line, groups such as Citizen Action say they will be lobbying for the legislation because there is a crisis in this country—37 million Americans have no health care. If passed, this legislation would give coverage to two-thirds to three-quarters of those people and business would pay the bill.

"I don't think anybody would disagree that there is a problem in having so many people uninsured," says National Restaurant Association President Peterson. "But a lot of them are working for small businesses where those costs just can't be absorbed by the company or the owner. That's why benefits are not being provided. There needs to be a real serious search for incentives to make it easier for employers to pay for health care without making it federally required."

It's going to be a harder fight this year

Considering all the variables on both sides of these three pieces of legislation, can small business defeat labor's agenda? Weichman says he can't begin to guess. "We are going to have to be prepared for a harder fight this year. That's because labor has been attacking these issues with a new respect for small-business people because of last year's success." ❑

TEST YOUR CLIMATE-BUILDING SKILLS

Instructions: *Answer each question by marking the response that most closely describes how you manage people and your beliefs about the people that work for you by indicating how strongly you agree or disagree with each statement.*

1=Strongly Disagree
2=Disagree
3=Neither Agree nor Disagree
4=Agree
5=Strongly Agree

1. Generally speaking, I feel that most of my employees must be closely supervised to ensure that they are really productive.

1 2 3 4 5

2. I believe that most employees want to do their best while at work.

1 2 3 4 5

3. People in general should be trusted.

1 2 3 4 5

4. Most people will tend to goof off unless someone supervises them.

1 2 3 4 5

5. To make sure I get everything done at work, I make it a practice to focus on things that are *not* done right.

1 2 3 4 5

6. I believe that most of my employees are working at their full potential.

1 2 3 4 5

7. I make it a practice to ask myself how I would feel about a certain action before I use it on one of my employees.

1 2 3 4 5

8. If in doubt, I assume that the employee had a valid reason for being late.

1 2 3 4 5

9. I tend to counsel my employees while I'm good and mad, so that I'm sure not to omit any of the important details.

1 2 3 4 5

10. While counseling, I generally focus on what the person did, instead of on the person.

1 2 3 4 5

11. At least half of my counseling sessions are dedicated to disciplining my employees.

1 2 3 4 5

12. When supervising people, I always look for people doing things right.

1 2 3 4 5

13. My best employees do their work exactly as I tell them to.

1 2 3 4 5

14. I feel that work is a place where employees should have fun.

1 2 3 4 5

15. Generally speaking, employees who feel great are more likely to have low rates of absenteeism.

1 2 3 4 5

16. I usually find something to compliment my employees about whenever I walk through their work area.

1 2 3 4 5

17. I tend to make sure that rewards are tied to performance.

1 2 3 4 5

18. Our formal recognition program is designed to recognize about 15 percent of the top achievers.

1 2 3 4 5

19. I make it a practice to punish in private.

1 2 3 4 5

20. I make it a practice to reward in private.

1 2 3 4 5

(answers on page 15)

Max Karl Winkler

by Wolf J. Rinke, Ph.D.

TREAT YOUR PEOPLE LIKE WINNERS

Here are some points for how to create and maintain a positive climate in your operation.

Most people want knowledge, accountability, respect and responsibility from their jobs. Now, let's just propose that, for the next 21 days, you consistently approach every one of your team members with the assumption that they want these positive things from their jobs instead of the assumption that they want to goof off or take advantage of you or the foodservice operation.

Now I can hear you groaning all the way from here, saying something like this: "That's the trouble with these PhDs, consultants, authors (or whatever description you are using); they hang out on cloud nine. You just don't know my people. There is no way that I can possibly trust these turkeys—or can I?"–I'm glad that you left the door open just a bit, because the answer to that is actually very simple. You can trust your people or mistrust them; it is your choice. The bigger question is: What do you want? Do you want your employees to trust you and to behave like independent, mature adults or to act like immature children who always have to be led by the hand? The choice is yours!

Playing the odds with trust

Most people believe in odds. Some play the odds even if they are very unfavorable, such as one in a million to win a lottery. I'm going to be more conservative and ask whether you prefer to be right about 5 percent of the time or about 95 percent of the time? I'm sure that that was a very simple decision for you. After all, you know how to play the odds. So why don't you operate that way when you make assumptions about your employees? You see, if you trust people—I mean totally trust them beyond a shadow of a doubt—they will prove

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you right 95 percent of the time. The irony is that most foodservice managers prefer to play a losing hand when it comes to people management, because they manage people as if all belonged to the exception (5 percent) instead of the rule (95 percent). My recommendation is, trust every one of your team members until they prove you wrong. At that point, talk to them to find out why they did not live up to your expectations.

When people do disappoint you, be sure to depersonalize the situation by separating the behavior from the person. For example, if you assumed that Mary would show up for work because she knew that you were "short," and she does not make it, find out why before you take any action. Yes, that means before you get upset and scream at her. Remember that, even if she did not have a valid reason, she is not a "bad" or "lazy" person; she acted or behaved inappropriately. Attacking Mary as a total person will diminish her self-esteem, which is what you have been attempting to build by trusting her. Treating the action treats the problem and helps to make the person better instead of making everything worse.

Treating people like winners

As Blanchard and Johnson said in *The One-Minute Manager,* "Everyone is a potential winner. Some people are disguised as losers; don't let their

Recognizing your top performers

Most foodservice organizations do not do enough to publicly recognize their team members. Those that do rather well tend to recognize only the truly outstanding performers, maybe up to 10 percent of their people. That is not enough, for two reasons. First, you will tend to recognize the same people most of the time. These are the "water walkers" who outperform everyone else because of their mental makeup. You could probably get away with never rewarding them, and they would still outperform everyone else, because of the way their heads are wired.

The second reason is that the average employees—that's most of the folks who work for you—are frustrated by this strategy because they can't visualize themselves ever being rewarded. Instead of becoming motivated, they become frustrated because recognition appears to be forever out of their reach.

A more effective strategy is to set up your recognition program so that all average performers, or at least the top two-thirds of your employees, perceive that they have a chance to be recognized. And be sure to tie rewards to performance.

Check your compensation practices to see if there is a clear connection between how well a job is done and the reward received. If your top performers get the same compensation and recognition as the "slackers," do something about it during the next six months.

To get the maximum benefit, your reward program should be "public." If you have any doubt about the effectiveness of this approach, just watch someone who is being recognized in front of his or her peers. The shoulders go back, the chin goes up, the chest goes out. At the same time, the self-esteem grows by leaps and bounds.

Now, is this the only way to do it? Absolutely not. It is far better to recognize people in private than not to recognize them at all. In fact, just walking through the work areas, greeting employees by name and wishing them a good day, is recognition.

A model

The Dominican Santa Cruz Hospital in Santa Cruz, California, has one of the most effective organization-wide systems to tie rewards to performance. Its employee-of-the-year recognition program provides weighted merit awards to foodservice employees for five critical areas that the foodservice management team deems important to organizational effectiveness, which comes directly from the organizational vision and philosophy.

The exciting aspect of this program is that it is based entirely on the axiom of "catching people doing things right." To facilitate this, management has designed "thank you" recognition memos, which can be filled out by anyone who wishes to recognize any type of commendable action by a foodservice employee.

What makes the program powerful is that foodservice employees earn credits for catching their peers doing things right. This is an especially effective way to encourage people to look for strengths in their team members. This program works so well that the foodservice operation bases all of its promotion and personnel actions on the program's results, and has virtually no need for punitive personnel actions.

In addition, the program has had a very positive effect on the bottom line. Here are just a few of the positive outcomes:

☐ employee performance—up by 30 percent in four years

☐ attendance—employees without any unscheduled absences up from 3 percent in 1985 to 12 percent in 1987

☐ meeting attendance—up (about 70 percent of all employees attended all meetings in 1987, even optional evening meetings)

☐ suggestion program—positive variance to food budget of 14.6 percent in 1987

☐ cost-to-revenue—1985 cost $2,700, with a return of $58,000; 1987 cost $3,200, with a return of $103,162 in improved productivity and resource utilization.

Such statistics will, I hope, convince you that creating a positive organizational climate pays off on the "bottom line" and can work for you too, *if you want it to.*

Dominican Santa Cruz Hospital
Memorandum

To:
From:
Date:
Subject: A special "Thank You"

Thank you for your special assistance. It was a big help. On-------------------, you helped by ---.

Again, thank you.

Copy to personnel file, Foodservice Department

Courtesy of George T. Crawford, Director, Food and Nutrition Services, Dominican Santa Cruz Hospital, Santa Cruz, California.

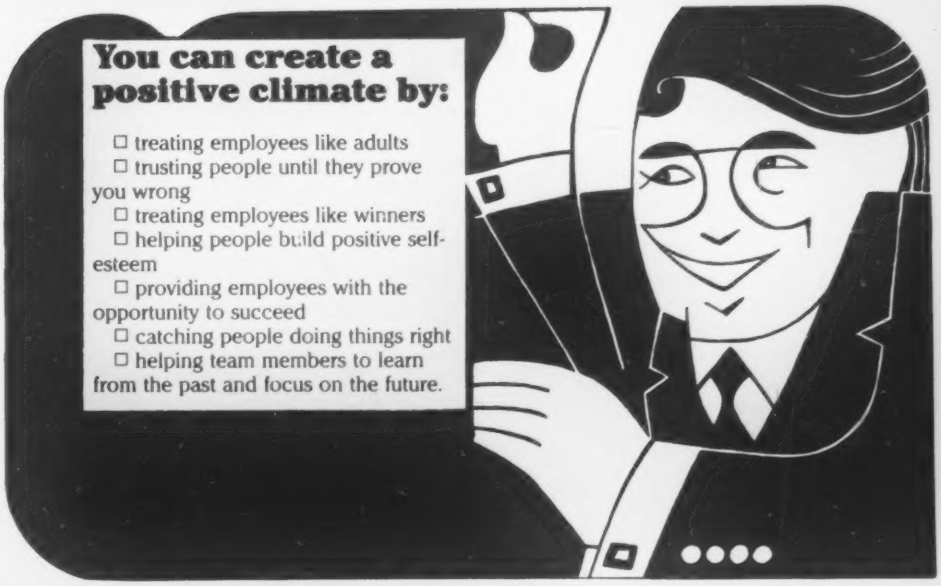
appearance fool you." This axiom is a poignant reminder to all of us that *all* people like to think of themselves as winners. Some people have problems with that because their self-esteem is not at an optimum. Now, what business is that of yours as their supervisor? Well, quite a bit actually. The first reason is that our self-image controls our life. In addition, there is a second force at work, equally powerful, called the looking-glass theory.

The looking-glass theory says that we see ourselves as others see us. If the people who are important to me, like my boss and my wife, see me as a loser, I will begin to doubt my own abilities and in the long run will see myself as a loser. Of course, this phenomenon works just as effectively in a positive direction. This gives you far more power over others than you ever imagined in your wildest dreams. It literally allows you to *create* winners or losers.

Succeeding breeds success

A powerful way to reinforce your expectation that your team members are winners is to have people succeed. It is odd, but for some reason we utilize this concept with children, but either forget or think it is inappropriate with adults. If you are a parent (if not, use your imagination), think back to the time when you were trying to teach your daughter to ride a bike. Did you put her on it and let her go, and then call her a dummy when she didn't make it the first time? I know the answer is no. You put on a pair of training wheels. Also, once she was barely propelling the bike forward, your spouse had to come out and go gaga over this accomplishment. Continued repetition, positive reinforcement and near-successes finally led to your daughter getting enough confidence to take off the training wheels. At that point the whole process started all over again, and after much more practice and encouragement, your daughter finally rode that bike all on her own.

If you use this simple, elegant and extremely basic approach with your team members when they are learning what they need to know in your organization, you will not only have people who know what they are doing, but you will at the same time build their self-esteem. As long as you start with what they currently know and build on that in small increments—rewarding near-successes as if they were giant accomplishments and substituting a pat on the back for ooh-aahing—your adult team members will *not* consider it demeaning or degrading. All human beings, regardless of age, are much more effective learners if they can start with "training wheels" and if they receive positive reinforcement.



You can create a positive climate by:

☐ treating employees like adults

☐ trusting people until they prove you wrong

☐ treating employees like winners

☐ helping people build positive self-esteem

☐ providing employees with the opportunity to succeed

☐ catching people doing things right

☐ helping team members to learn from the past and focus on the future.

Catching people doing things right

All of us were taught to supervise people by catching people messing up. Someone even gave it a name: management by exception. You already know that people will live up, or in this case down, to your expectation. To reverse this, you will have to learn to catch people doing things *right* and then to compliment or recognize that positive performance in some way. In other words, you should practice management by appreciation (MBA). Although difficult to internalize (it'll take at least 21 days of consistent effort on your part), this is a more powerful strategy than you will ever learn in any university MBA program. Catching people doing things right means you use your abundant mental energy to look for something that people are doing that deserves a positive comment, instead of using the same amount of energy to catch them messing up. If you look hard enough, you will find that most people do something each day that they feel good about. Find it, and then be sure to make a big deal about it.

To start, you must learn to be less

Scoring instructions

Score each item in accordance with the number you have circled, except items 1, 4, 5, 6, 9, 11, 13, 18 and 20, which have to be scored by reversing the scale, so that 1=5, 2=4, 3=3, 4=2, 5=1.

What your score means:

☐ **95-100:** You are a super climate builder. Please call me; I would like to work for you.

☐ **85-94:** Excellent. You are well on the way to becoming a winning foodservice manager.

☐ **75-84:** Very good. Get yourself a copy of *The Winning Foodservice Manager* and you will learn some powerful new techniques that will help you to catch people doing things right.

☐ **65-74:** Good—but you need help.

☐ **55-64:** Okay—but you can do much better.

☐ **Below 54:** Time for making up that self-improvement action plan.

of a perfectionist. Look the other way in cases that are not critical or that will not endanger or compromise your customer or your organizational vision. In fact, your philosophy will serve as a yardstick to help you decide when you can and cannot look the other way. If one of your team members goofs and it compromises your philosophy, you must deal with it. If it does not, you should do everything you can to look the other way. Now, what does that mean in terms of correcting your team members? Are you going to tell them in no uncertain terms that they are dummies, that they should know better? No, you are going to be "future-oriented."

Correcting without destroying

When I talk about this in my workshops, I like to use the proverbial "spilled milk" example, because everyone can readily relate to it. I ask participants what happens when their sons spill their milk after they have repeatedly told him to be careful not to spill it. Well, most parents say that they get mighty upset. Some rant and rave, calling their son a stupid, clumsy, bumbling fool. I then ask the participants whether this response works: Will the milk pick itself up and jump back into the glass? I have yet to come across anyone who has been able to accomplish that. What is accomplished, however, is very destructive. By punishing the actor instead of the act (that is, by not separating the inappropriate behavior from the person), you significantly diminish your son's self-esteem.

The same is true when one of your dishwashers—let's call her Sally—destroys a stack of plates because she did not push the dish dispenser the way she had been taught. At this point you have a choice. You can jump all over her, telling her what an idiot she is, that she will never learn, . . . (you fill in the rest). Or you can take a deep breath—that's important to help you deal with your frustration and collect your thoughts—and ask Sally to clean up the mess and to come see you before she goes home. When Sally comes to see you later, you have gotten over your anger, which is the first benefit of using this strategy. Angry people are unable to effectively communicate.

At this point you might ask Sally what happened. After she explains—which might provide you with some information you were totally unaware of—you should ask her what she learned from the mistake. If she is clear with her answer, and it makes sense, then you end the conversation by defining your expectations for the future. For example, you might say, "Sally, I know that you already know how expensive plates are and that we have a difficult time getting them; therefore I'm confident that you will be even more careful in the future and that it will not happen again. After all, you are one of the most senior members of our sanitary crew and many of the younger members look up to you as a role model." This represents a future orientation because, when the accident occurred, Sally was fully aware of the fact that she messed up. Telling her that or—even worse—"rubbing it in" adds no new information and will frustrate her even further. It certainly will not repair the plates. In addition, your words expressed what you want to have happen in the future, giving Sally desirable objectives to work toward. You also took the opportunity to repair her slightly damaged self-image by telling her how important she is to the overall dishwashing operation.

Creating winning perceptions

Finally, employees who feel good about their work are more likely to come to work and perform well if they:

☐ know what is expected
☐ believe they can do it
☐ can see the connection between their performance and a reward that is meaningful to them.

I know that as a winning foodservice manager you will make sure that your team members attain these perceptions. As a result you will not only have happy people, you will have happy, productive team members. ❑

Punishing more effectively

There are times when you cannot look the other way when people mess up: when they violate the basic philosophy of the organization. What happens if they do that, and do it repeatedly? At this point you obviously need to use stronger medicine. That medicine is punishment. Since you will have to use punishment at times, there are seven rules that will help you use this strategy effectively:

1. **Timeliness rule.** Punish as soon after the infraction as possible.

2. **Clarity rule.** Be very clear about what behavior is being punished.

3. **Depersonalization rule.** Punish the act, not the actor. Just because an employee did something wrong does not mean he or she is a loser.

4. **Future-orientation rule.** Clearly identify what can be learned from the mistake, what the employee can do to improve and what will happen if he or she does not comply with your expectation.

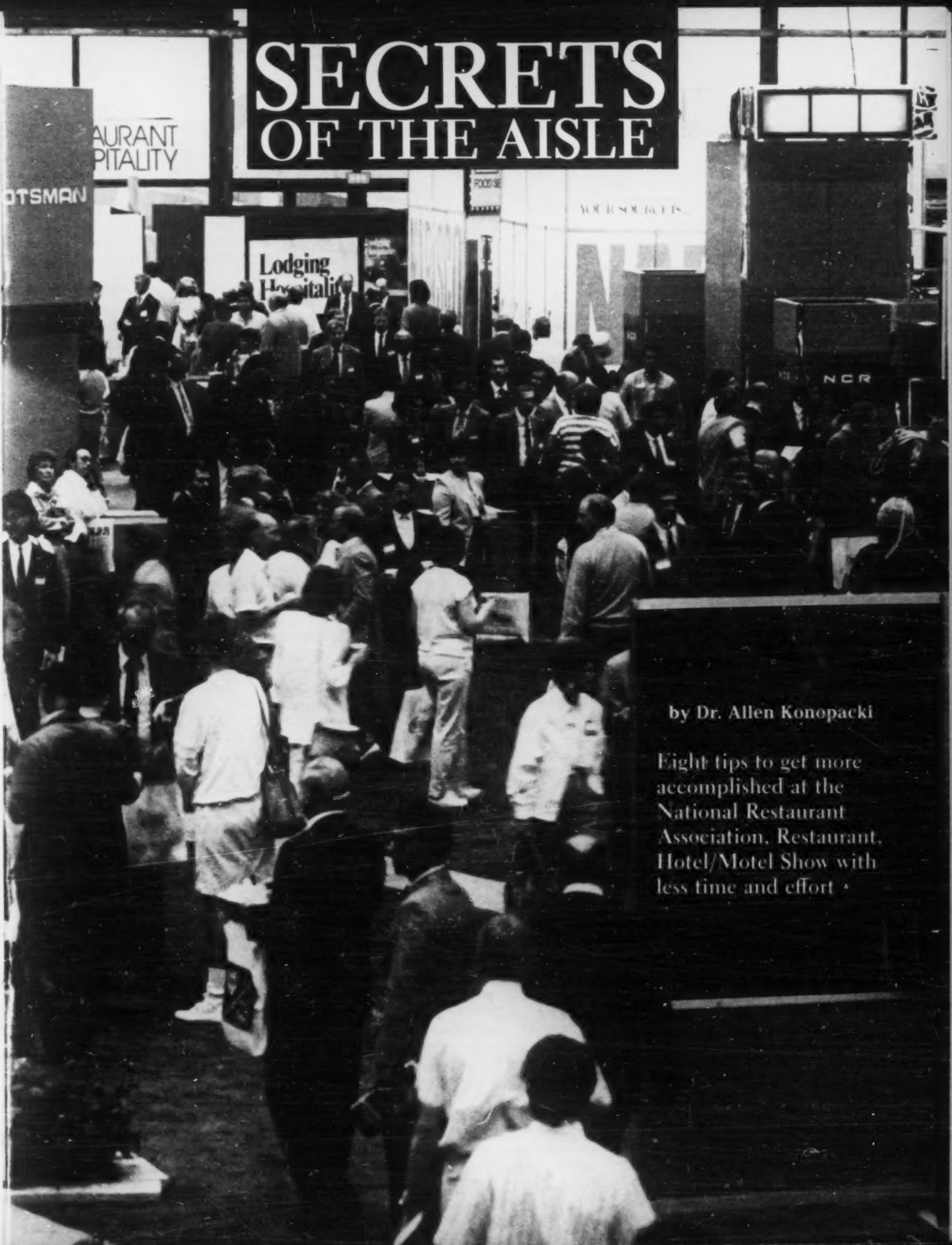
5. **Equitableness rule.** Let the punishment fit the crime. For example, being caught stealing should not result in the same punishment as being discourteous to a coworker.

6. **Positiveness rule.** Conduct the session in a positive and supportive climate. Never do it while you are angry or hostile.

7. **Consistency rule.** This rule is the Achilles' heel of punishment. Although punishment can have positive short-term outcomes, it won't be effective in the long run, because one cannot punish adults in a consistent manner. To do so would require constant supervision and would result in more undesirable behavior, because if you treat people as children they will behave like children.

That is why punishment should be used only as a last resort, primarily because it does not work in the long run. In fact, it is extremely difficult to control, is often used as a means of getting attention, results in deceitful behavior (compliance may occur only while the punisher is present) and has numerous other negative consequences. About the only thing that it does well is reinforce the punisher—which, I suspect, is why punishment is used so extensively.

SECRETS OF THE AISLE


AURANT
PITALITY
OTSMAN
Lodging
Hospitality
NCR

by Dr. Allen Konopacki

Eight tips to get more accomplished at the National Restaurant Association, Restaurant, Hotel/Motel Show with less time and effort

Without mapping a practical "wish list," a trip to a trade show is nothing more than a trip to Fantasyland. Attendees who wait until they are en route to the Show to scan information and plan activities are merely "winging it." Any productive outcome of the trip would be accidental. Yet, incredibly, visitors often spend more time preparing a list for a trip to the grocery store than they do getting ready to find the answers they want from a visit to the Show.

Unmanaged time automatically means astronomical costs for information of questionable worth. Take a few minutes to determine the actual cost of a trip to the Show, including accommodations, entertainment, travel, meals, ground transportation, food and the value of your time.

Each hour on a Show floor can easily cost $100 to $200. Few of us would spend $100 for a personal item without expecting a return. Likewise you should plan a payback from precious Show time.

1. Start planning your mission before the Show. A much more exciting approach to the Show is to identify problems in the workplace and to match them with products or services. One way to do this is to make a "Show productivity list" well in advance of the Show—even 90 days is not too soon. This list could simply be a notebook with the convention name on it. Establish a routine to jot notes on the list about any pressing problems you see or learn about from others that could relate to the Show. This filtering process leads to setting tangible objectives that will make the Show experience more manageable and more productive.

2. Let coworkers participate in the mission. Workers often view an owner's or manager's trip to a trade show or convention as primarily a recreational activity. You can avoid such faulty thinking by challenging others to participate in setting Show objectives.

Fifty percent of a conversation is forgotten in one minute. Record what you discussed.

Encourage workers to funnel ideas and information about trends or issues they believe to be important. Post memos or ask for suggestions in meetings or conversations. By probing the minds of your associates, you'll not only reap valuable input but also impress upon them the serious nature of investing time and money in the Show.

When you have the ideas and have selected an agenda, post it or pass it around for review. You will find your employees much more receptive to trying out any new product or idea you bring back.

3. Plot precise strategy the night before. Top negotiators always set time aside before important meetings to define what they intend to do and say and even to forecast the results of their deliberative deal-making. This is a good strategy to adopt the night before the Show because the opportunities at the Show are limitless, as are the options for using time and energy.

No forward-thinking attendee should waste the evening before a Show on entertainment. This time is too critical; use it to plan Show siteseeing, not sightseeing! After registering, take the Show directory back to your quiet hotel room. Then compare the "wish list" with the exhibit guide. Highlight important offerings with a yellow marking pen. This sets limits on your valuable time.

Keep two items on hand while reading the directory—the exhibits floor plan and an appointment page marked with half-hour intervals. When you note a program or exhibit of high interest, write down the product or program's name and the booth number or location. Then, when your list is complete, consult the floor plan and group together booths by location and select the best time for visits. Finally, complete your appointment sheet with "sure-bet" calls. This strategy brings a sense of order to "marketing noises" that can bring chaos to your senses and psyche!

4. The three-step method for successful booth visits.

☐ *(I) Surveillance.* Once on the exhibit floor, set your priorities by scanning. The cautious solution-seeker should *not* cross carpetlines to see products up close or use this initial time to talk with salespeople.

An attendee who first plans visits by seeing what's available is actually doing the exhibitors a favor. Besides visually reconfirming that a listed exhibitor has what you want, this time is also useful to spot product applications not yet identified on the original "want list."

☐ *(II) Reflection.* Take a 60-minute break to review notes and relax after this initial observation. Use this time out to identify the principal questions you want answered. This should always occur before you talk to any exhibitors, because it helps you simplify communication and deal only with key concerns.

A well-prepared attendee is instantly separated from the hordes of others who weakly say to sales representatives: "I'm just looking around" or "What's new?" The result is more professional attention instead of intensive sales pitches. Those who know what to ask are more likely to get knowledgeable, prompt answers.

☐ *(III) Validation/clarification.* Most attendees overlook the great value of assessing data from the many key players of differing expertise companies assemble at their booths. The Show is the perfect place to get an astute second opinion from various levels of experts. Once you get basic screening questions answered by a sales representative, prepare to move beyond him or her for more discriminating data. Ask to speak with a product specialist, technical manager or vice president. This is an analytical, not an arrogant, way to do business.

Purposeful booth reps are impressed when a second opinion is solicited. And the additional insights are worth much more than the few minutes this effort takes. The contact with several management levels can also be a benefit in future negotiations.

5. Sixty percent of getting what you want is knowing what to ask. Attendees compete with one another to get facts they need. Most conversations last only five minutes. A sales-minded representative sometimes screens out a visitor as not worth further attention in less than 30 seconds. Yet more information is available than anybody could possibly want. You have to avoid becoming overwhelmed by "word debris," the onslaught of oral presentations and video and audio productions.

Three questions will get your search for usable data on track. Ask:

☐ How does your company handle this specific problem?

☐ How do I go about finding methods to manage or improve this urgent problem?

☐ What has changed or is different about this process? (Probe to see if benefits and features fit personal applications.)

Never ask a key question only once. No seasoned reporter or negotiator ever feels safe with a single response. Do as top professionals do and ask the same questions twice or more, rewording to fit the situation.

The first answer gives the basic "nuts and bolts" data; the second gets closer to crucial information—the facts needed to make a decision when it's time to recommend a buy.

6. Avoid a compulsion to overload with brochures. Many attendees instinctively reach out for brochures and business cards, as if amassing a considerable collection were a required ritual. The conventional wisdom of visitors and sales representatives is that attendees are getting critical decisionmaking data to quickly followup. Actually, many people take such offerings for emotional rather than purposeful reasons.

We have been conditioned by a culture of excessive consumption to take more than we need—without forethought—especially when things are free and eagerly presented. Or we think it impolite to reject an offer, even though it fits no need. Free up time for productive work by asking yourself what function a brochure or business card (or a give-away trinket) will serve. It is not rude to say "no," and it is illogical to say "yes" without a reason. Calibrate the worth of any business card or brochure before taking it. Knowledge without application has zero power!

Discard the aimless "business-card bingo" mindset. Mine opportunities instead. A pro-active attendee escapes being among the visitors who act as if productivity requires carrying around a full bag. Essential data are readily available from the exhibitors you select.

Three steps for success

1. Locate your targets
2. Review, validate and discriminate
3. Plan your questions; don't "wing it."

7. Make the most of the material you select. A few basic tools are especially valuable when gathering useful brochures. These include a supply of paper clips and small note paper, such as 3M Post-It Notes. When taking a brochure, use the note paper to write brief comments on products and the most important statements the representatives make. Jot down key answers to questions such as: How is this product different? How would it be used? What are the terms and delivery dates?

Write coded phrases reflecting confidential facts and translate them immediately after leaving a booth. If you assume that you will recall facts without taking notes, you may be surprised that you don't remember what was said when you review a brochure only days later.

Although the mind can store an estimated 100 trillion bits of information, the hectic pace of the Show can cause even the brightest attendee to forget important matters. A person usually forgets 50 percent of what is heard in less than 60 seconds—a strong reason to put cogent notes in brochures.

Paper-clip notes to the representative's business card. This procedure improves future discussions because your note reviews will then be more focused, and it will be easier to discuss key items with associates.

8. Fight stress. Vast numbers of attendees fall victim to the hectic demands of a convention. To maintain enthusiasm and strength, pace yourself and establish clear-cut priorities, knowing well the difference between doing what needs to be done and doing what is simply enjoyable to do. Long tours and numerous talks do not have to result in lost motivation, inattentiveness, tired eyes and a slouching body. Energy loss comes from not having a clear, achievable mission in mind. Those with set goals have more positive attitudes, generally use less energy and accomplish more. To eliminate burnout, set a mission.

The most overlooked factor that contributes to stress and burnout is what you eat. Much of the food at conventions is high in carbohydrate content of a kind that does not give long-lasting energy but instead increases the release of serotonin, one of the brain's chemical messengers that reduces activity and induces sleep. Foods, such as a sweet roll, dissipate quickly in value, causing the 11 a.m. or 3 p.m. "burnout blues," when the body signals a need for renewed energy. If that is not available, the brain releases serotonin, which saps energy and puts a person close to an exhausted or sleepy state. Turn to protein foods and fruit for energy.

A system works

Attendees at trade shows who use a system and organize their time can easily double their productivity and gain greater results. ❑

Dr. Allen Konopacki is a psychologist and president of Incomm International, a consulting, marketing and research firm in Chicago specializing in trade shows.

1989 Show Preview

THE INDUSTRY SEES ITSELF AT THE SHOW

A time-honored tradition that spans seven decades, the National Restaurant Association Show remains surprisingly new with fresh ideas teeming on the Show floor each year.

With its diversity of products and breadth of educational and social activities, the Show is truly a "Show for all Reasons." Owner/operators of single-unit operations in small towns across the country see products, services and equipment that can make them trendsetters in their regions. Big-city operators see celebrated chefs demonstrate foods and techniques that are currently attracting crowds in other urban meccas. And multi-unit operators need not cross an ocean to see innovative international operating systems that can increase efficiency in their operations. It's all there on three floors in McCormick Place East and McCormick Place North—1,800 exhibits planned with you in mind.

Here's a preview of some of the specific sights and sounds of the 70th annual National Restaurant Association Restaurant, Hotel-Motel Show to be held May 20-24 in Chicago.

Peterson to open 70th Show

After a rousing musical warmup, National Restaurant Association President and Chairman of the Board Jim L. Peterson will open the Show with a synopsis of the legislative victories of the past year and the challenges facing foodservice in the months ahead.

Association President Jim L. Peterson

Sharing the podium with Peterson in the Arie Crown Theater of McCormick Place on Sunday, May 21, will be a national celebrity, as yet unnamed.

International pavilions: a nearby trek around the world

Columbus crossed an ocean. Marco Polo scoured the East. But attendees at the 70th National Restaurant Association Restaurant, Hotel-Motel Show need only travel to the main exhibition floor of McCormick Place North to taste the latest international foods and beverages and see the breadth of innovative foodservice products and systems coming in from overseas.

With a 40 percent increase in the number of foreign attendees between 1985 and 1988, and 150 foreign companies exhibiting this year, the National Restaurant Association Show is "the" marketplace for international companies introducing their lines of foodservice products and services to the U.S. market. It is also a convenient shopping place for U.S. operators seeking an innovative product or idea. In fact, results of the 1988 audience survey indicate that 89 percent of Show attendees found the international exhibits helpful.

This year's pavilions include companies from Canada, Austria, Australia, Italy, Germany, Sweden, France and New Zealand. Don't miss this chance to take an international buying tour under one roof.

Patricia Neal: straight talk from the heart

Patricia Neal, actress, humanitarian and author, will deliver a riveting speech at a special session on Monday, May 22, at 10 a.m. A star of stage and screen, Neal had it all—beauty, fortune, fame—only to see it all slip away at the age of 39 and at the height of her career. Well-known for her dramatic portrayals in films like *Hud*, *The Fountainhead* and *The Hasty Heart*, Neal is most admired for her real-life triumph over adversity and her comeback from a series of debilitating strokes in 1966. She lay unconscious for three weeks following brain surgery, completely paralyzed on one side and unable to speak.

The years since have known both triumph and tragedy, as Neal won the battle for her health but lost her 30-year marriage to British author Roald Dahl. Today, Neal, the author of the candid best-selling autobiography *As I Am*, spends much of her time volunteering at the rehabilitation center that bears her name in hometown Knoxville, Tennessee. Her story is one of inspiration and hope that Show-goers won't want to miss.

Patricia Neal

Inspiration frozen in time: the 2nd ice carving classic

Chances are you will hear them before you see them—12-pound chainsaws as they slice through ice doing the bidding of their masters. The chainsaws are only one accoutrement of the master ice carvers who are participating in the Second Annual National Restaurant Association Ice Carving Classic, one of the most memorable attractions at last year's Show.

Attendees wanting to pick up a few pointers for banquet and holiday displays and those drawn to the sheer beauty of the ephemeral art, won't want to miss this spectacular three-day presentation on the lower level of McCormick Place North, Sunday through Tuesday, May 21–23.

RESTAURANT
ASSOCIATION
1:00 00

Ice Carving Classic

The event, which is produced in cooperation with the National Ice Carving Association, takes on a more American flavor this year, with seven teams of U.S. carvers—each American contestant a winner in one of seven regional competitions held around the country for the sole purpose of competing at the Show. Joining the Americans are teams from Canada, Mexico, Japan and Singapore.

Watch these master craftsmen put their pride on the block as they wrestle with 400-pound slabs of ice.

The competition area includes an overhanging balcony and 400 seats to accommodate the many expected viewers—more than 20,000 came last year. A panel of blue-ribbon judges will honor winners with first, second and third-place awards.

Attendees who want to pick up some ice-carving tips should be sure to catch a few of the twice-daily demonstrations given by experienced ice carvers—all members of the National Ice Carving Association. Demonstrations are adjacent to the competition.

Chefs' Stage: See the magic at work

They are culinary magicians who transform ordinary foods into mouth-watering creations with what seems like a sleight of hand. They are the chefs who are setting the tone for American cooking across the nation—in urban centers and in hideaway locations. Attendees can see them at work in 45-minute increments. A favorite of last year's Show, the Chefs' Stage will take place on the exhibit floor of McCormick Place North Sunday, May 21, through Tuesday, May 23.

Chefs' Stage

A specially designed, demonstration kitchen, closed-circuit TV and 500 seats close to the stage guarantee orchestra viewing for all.

Come see the chefs who are making a difference in American food today—and walk away with the culinary concepts and techniques that can put your establishment on the map.

Culinary Arts Salon: a fountain of ideas

Memories of the Culinary Arts Salon burn brightly in the minds of veteran Show-goers. An institution at the National Restaurant Association Show, now in its 19th year, the Salon is a fountain of ideas from which Show-goers drink each year and return home refreshed with new techniques and creations.

McCormick Place's beautiful Chicago Room is the backdrop for this spectacular display of culinary talent. Attendees will be treated to a *double salon* presented in two segments—one on Saturday and Sunday, May 20–21, and another on Monday and Tuesday, May 22 and 23.

Culinary Arts Salon

A body of eminent judges will evaluate the entries and name winners. For the first time, the judging will be computerized, and entries by professionals will be judged by the new international culinary guidelines.

Winners will be announced at an awards ceremony in the Jane Addams Room of McCormick Place on Saturday, May 20, at 11:30 a.m. and on Monday, May 22, at 11:30 a.m.

The annual National Restaurant Association Culinary Arts Salon is recognized and endorsed by the American Culinary Federation and the Chefs of Cuisine Association of Chicago.

Convention capers: free star-studded entertainment

Convention Capers, Sunday and Monday evenings, May 21–22, light up the sky of the Windy City with a star-studded cast of old and new talent, some terrific country-and-western sounds and classic rock 'n' roll. And best of all, the Convention Capers are free to attendees sporting their badges.

☐ **Rock 'n' Roll Night**
Hyatt Regency Chicago, Sunday, May 21, 9 p.m. to 1 a.m.
Two-time Grammy winner Johnny Rivers (*Maybellene, Memphis* and *Mountain of Love*) rocketed to fame in the 1960s, following a year's stint at the now famous club, The Whiskey A Go-Go on Sunset Strip, and the release of a string of gold records. Twenty-five years and 25 million records later, Rivers continues to move audiences with classics like *Baby I Need Your Lovin', Tracks of My Tears,* and *Swayin' to the Music (Slow Dancing).*

Sharing the billing with Rivers is the Joe Cantafio Band, one of the top rock 'n' roll bands in Chicago that will be celebrating the release of its first major album.

☐ **Country-and-Western Night**

Chicago Marriott Hotel, Monday, May 22, 9 p.m. to 1 a.m.
Country-and-western night would be incomplete without the expressive, grainy voice of that "Rock-a-Billy Boy" Mel McDaniel. Hits like *Louisiana Saturday Night, Baby's Got Her Blue Jeans On, Stand Up* and *Stand On It* have earned McDaniel a huge following among country-and-western fans.

Sharing the spotlight with McDaniel is Chicago's own Nancy Hays, an up-and-coming country performer who caught the eye of judges during the Miss America and Miss Illinois preliminaries. An accomplished performer, equally at home on stage, screen and TV, Nancy wields her own special magic. For country-and-western night, she combines her talent with that of the Hot Set Up Band.

A gala night

The traditional Grand Banquet, honoring the incoming president of the National Restaurant Association, and the Congressional Leadership Forum Gala in recognition of members of Congress and prominent industry benefactors are melded into a single spectacular night of gourmet dining, fanfare, comedy, music and dancing on Saturday, May 20.

Incoming association president Harris "Bud" Rusitzky

The featured entertainer will be Bob Newhart, whose distinctive style of comedy has delighted audiences for more than 25 years. He is known best for his two hit TV shows: "The Bob Newhart Show" (1972-78) and currently "Newhart."

Bob Newhart

The event also includes a cocktail reception and dancing to Dick Judson and The Sunshine Brass Orchestra, featuring vocalist Toni Moore.

This is a ticketed event. To order tickets, call the association's Chicago office at (312) 853-2525.

Drumroll for Hennessy awards luncheon

The Air Force Band rolls the drum, the color guard displays its colors and top Air Force brass tip their hats to the 1988 winners of the Hennessy Awards at the Hennessy Awards Luncheon, Hyatt Regency Chicago, Saturday, May 20. A four-star general is targeted to be the keynote speaker.

Now in its 33rd year, the Hennessy Award takes its name from John (Lawrence) Hennessy, a civilian long recognized for his advancement of military foodservice.

Each year a panel of distinguished foodservice and military executives single out a few Air Force bases for excellence in the management, preparation and service of food to military personnel. The competition is divided into two main categories: single-unit and multiple-unit bases, with special award categories for the Air Force Reserves and the Air National Guard.

The top prize awarded to the winning single and multiple-unit bases is a 34-inch sterling-silver-bowl traveling trophy. Other winners are honored with plaques. Tickets for the luncheon are $40 and can be purchased from LaVerne Warlick, National Restaurant Association, 1200 17th St., N.W., Washington DC 20036-3097, (202) 331-5900.

The Salute to Excellence Banquet

Industry leaders, outstanding students and Show competition winners will take a bow at the Educational Foundation's Salute to Excellence Banquet.

Veteran TV and radio celebrity Art Linkletter will host this prestigious invitation-only event at the Chicago Hilton and Towers on Tuesday, May 23, at 7:00 p.m.

Among the honored guests will be this year's inductees into the College of Diplomates: Norman Brinker, chairman, Chili's Inc., Dallas; Walter Conti, president, Conti's Cross Keys Inn, Doylestown, Pennsylvania; Carl Karcher, chairman, Carl Karcher Enterprises, Anaheim, California; William J. Tobin, president, Foodservice Division, Nabisco Foods Co., Parsippany, New Jersey; and Dr. Jerome J. Vallen, Ph.D., dean, William J. Harrah College of Hotel Administration, University of Nevada, Las Vegas.

The climax of the evening is the presentation of the prestigious Ambassador Award, which honors an industry representative for extraordinary support in the advancement of professionalism through education. A committee of the board of the Educational Foundation selects the recipient of the Ambassador Award from current members of the College of Diplomates.

Art Linkletter

For banquet information, contact the Educational Foundation of the National Restaurant Association, 250 S. Wacker Dr., Chicago, 60606, (312) 715-1010.

A dialogue across the generations

The hospitality industry's future stars will meet the leaders of today at the Salute to Excellence Student Forum, Tuesday, May 23, at the Chicago Hilton and Towers.

This thought-provoking and lively exchange across the generations will introduce the 200 top culinary students to every sector of the hospitality industry. National Restaurant Association Past President Pat O'Malley of Canteen Co. in

Chicago and the winner of the 1988 Ambassador Award will be the luncheon speaker.

Cathy A. Cheatham, 1989 student

The students, selected for outstanding academic performance, career interest and industry work experience and achievement by the deans and directors of their respective schools, will also be honored at the Salute to Excellence Banquet.

Rudolph Campbell, 1989 student

Among other things, each student will receive a yearbook and student honorary delegate certificate.

The Main Course: 3,000 strong

On your mark. Get set. A wave of the starting flag and they are off—3,000 strong.

It's "The Main Course," the largest 10-K race in Chicago and an undisputed off-the-floor highpoint of the annual National Restaurant Association Show.

"The Main Course," the industry's annual run for health and fitness, will take off at Grant Park on Sunday, May 21, at 8 a.m. Come join contestants as they dash along the shimmering shores of Lake Michigan, around McCormick Place and McCormick Place North and continue on through the Prairie Avenue historic district and down Michigan Avenue to finish at Arvey Field.

The Main Course

Open to attendees, exhibitors and Chicagoans, "The Main Course" offers a competing category for just about everyone.

Awards will be given to the first-place male and female and to the top three men, women and teams in individual categories.

Runners who cross the finish line are also eligible for the "You-Don't-Have-to-Win-to-Win" array of prizes—random drawings that include roundtrip airfare for two anywhere in the United States plus dinners and weekend packages at top Chicago-area restaurants and hotels. And all race participants walk off with souvenirs of their moment in the sun—Main Course T-shirts and running gear contributed by the race sponsors: Coca-Cola USA, Miller Brewing Company, Pepsi-Cola Company, and Tyson Foods, Inc.

The fee to participate in all this fun is only $8.95. For race applications, contact National Restaurant Association Convention Headquarters, 150 N. Michigan Ave., Suite 2000, Chicago 60601, (312) 853-2525.

A cornucopia of ideas

Show-goers in search of personal and professional excellence need not wander far. Just a stone's throw from the excitement of the Show floor will be an impressive and neatly packaged educational lineup, offering the latest ideas for improving and expanding personal and professional horizons.

The all-star cast of speakers for the Theater Series and Management Clinic includes authors, educators, celebrities, motivational experts, management consultants and others. Best of all, attendance at the Theater Series and Management Clinic is free, one of the many benefits of Show admission.

The Theater Series, to take place in the theaters on the mall level of McCormick Place on Monday and Tuesday, May 22 and 23, includes:

Tom Sullivan

☐ *Dr. Wayne Dyer,* internationally famous psychotherapist, lecturer and author, known for his best-sellers *Your Erroneous Zones, Pulling Your Own Strings* and *The Sky's the Limit.* Dyer, a three-time presenter at the Show, continues to motivate audiences to overcome self-imposed limitations.

☐ *If You Could See What I Hear,* based on the autobiographical book and film by Tom Sullivan. Sullivan wears many hats—pianist, composer, actor, author and athlete. He also happens to be blind. Sullivan touches audiences with his insightful humor.

☐ *The Challenge of Self Management* by Dr. John Lee. According to Lee, a pioneer in the field of time and self management, the challenge of self management is to manage oneself and others effectively under conditions of constant change. Attendees leave this workshop with immediately usable self-management tools and techniques, including handouts, "smart" charts and extensive bibliographies. Lee's public workshops have been attended by participants from 400 of the nation's top 500 companies.

☐ *Relationship Strategies*—Dr. Tony Alessandra. The key to winning people over is understanding how they like to be treated, says Alessandra, who will teach attendees to recognize how others see them. A graduate of Notre Dame, Alessandra holds an MBA and Ph.D. in marketing. He is the coauthor of five books, including the best-seller *Non-Manipulative Selling* and *The Art of*

Managing People. Described as a young Jack Lemmon, Alessandra won the prestigious CPAE Award in 1981, the highest honor awarded a speaker by the National Speakers Association.

☐ *How to Make Every Day a Good Day*—Ed Foreman. Successful businessman, management consultant and nationally acclaimed motivational speaker, Foreman knows much about winning. A millionaire by the age of 28 and the only person in this century to be elected to Congress from two different states, Foreman had a close working relationship with five presidents and served as a presidential appointee in two administrations. He's also been an expert in the field of executive development since 1960. His presentation will incorporate step-by-step techniques for maintaining a wholesome, positive attitude and for controlling life situations instead of being controlled by them.

Ed Foreman

☐ *Only Happy Customers Come Back*—Tom Leonard. Bringing good customers back is what it's all about. And Leonard, marketing vice president of Stew

SHOW SCHEDULE

SATURDAY, MAY 20
9:30 a.m.–5:30 p.m.

☐ Dealer/supplier press preview of exposition, McCormick Place

☐ 19th Annual Culinary Arts Salon, McCormick Place East, Chicago Room, first of four days; continues on May 21, 22 and 23

11:30 a.m.

☐ 33rd Annual Hennessy Awards Luncheon, Hyatt Regency Chicago *(ticketed event)*

☐ Culinary Arts Salon Award Ceremony (Salon 1), Jane Addams Room, McCormick Place East

6:30 p.m.
The Grand Banquet and Show/Congressional Leadership Forum Gala, Hyatt Regency Chicago, in honor of the National Restaurant Association's new Chairman of the Board and President. With superstar funnyman Bob Newhart, Dick Judson and the Sunshine Brass Orchestra and vocalist Toni Moore *(ticketed event)*

SUNDAY, MAY 21
7:00 a.m.
Registration and check-in for the Educational Foundation of the National Restaurant Association seminar series, McCormick Place North, lobby level

8:00 a.m.–3:30 p.m.
One-day seminars with a 30-minute lunch break, McCormick Place North, lobby level

☐ Banquet Management

☐ Creating, Planning and Implementing Successful Buffets

☐ Dining-Room Management

☐ Do-it-Yourself Public Relations

☐ Food Cost Management

☐ Hiring in a Tight Labor Market

☐ Increasing Sales

☐ Kitchen Management

☐ Menus That Sell

☐ Perfecting Your Culinary Skills

☐ Profitability Workshop

☐ Soups and Sauces

8:00 a.m.
The start of "The Main Course" 10-K race at Grant Park

10:30 a.m.–6:00 p.m.
Exposition opens, McCormick Place

10:30 a.m.
Opening ceremonies for the 2nd Annual Ice Carving Classic, with a parade of teams. Lower level, McCormick Place North

10:30 a.m.–6:00 p.m.

☐ 2nd Annual National Restaurant Association Ice Carving Classic, lower level, McCormick Place North, first of three days; continues May 22 and May 23

☐ National Restaurant Association Chefs' Stage, exhibit level, McCormick Place North, first of three days; continues May 22 and May 23

☐ 19th Annual Culinary Arts Salon, McCormick Place East, Chicago Room, second of four days; continues May 22 and May 23

2:00 p.m.
Opening Day Ceremony, Arie Crown Theatre, McCormick Place with the welcoming address by Association Chairman of the Board and President Jim L. Peterson

9:00 p.m.–1:00 a.m.
Convention Capers, Rock 'n' Roll Night, featuring singer Johnny Rivers and the Joe Cantafio Band, Hyatt Regency Chicago.

MONDAY, MAY 22
9:00 a.m.–5:30 p.m.
Exposition opens, McCormick Place

9:30 a.m.–5:30 p.m.

☐ 2nd Annual National Restaurant Association Ice Carving Classic, lower level, McCormick Place North, second of three days; continues May 23

☐ National Restaurant Association Chefs' Stage, exhibit level, McCormick Place North, second of three days; continues May 23

☐ 19th Annual Culinary Arts Salon, McCormick Place East, Chicago Room, third of four days; continues May 23

9:00 a.m.–4:00 p.m.
Management Clinic, McCormick Place

☐ Customer Satisfaction Guaranteed

10:00-11:30 a.m.
Special Presentation
Speaker: Actress, Humanitarian and Author Patricia Neal, Theater 1, McCormick Place
Theater Series, McCormick Place
How to Make Every Day a Good Day. Theater 2.
Management Clinic, McCormick Place

☐ Systematic vs. Gut-Level Problemsolving

☐ Break-Even Analysis as a Profit-Planning Tool

11:30 a.m.
Culinary Arts Salon Award Ceremony (Salon 2), Jane Addams Room, McCormick Place East
Theater Series, McCormick Place

☐ Management by

Responsibility, Theater 2
☐ Marks of a Healthy Business in an Era of Change, Theater 3

Noon–1:30 p.m.
Management Clinic, McCormick Place
☐ Finding and Keeping High-Quality Employees
☐ Potential with a Plus (Hiring the Hearing-Impaired)

2:00–3:30 p.m.
Theater Series, McCormick Place
☐ If You Could See What I Hear, Theater 1
☐ Relationship Strategies, Theater 2
Management Clinic, McCormick Place
☐ Winning Strategies to Maximize Your Potential
☐ Will the Government Take Away Your Takeout?
☐ Why Can't (or Won't) Jackie Do It?
☐ Balancing the Responsibility and Profitability of Nutrition

9:00 p.m.–1:00 a.m.
Convention Capers, Country-and-Western Night, featuring Mel McDaniel and Chicago's up and coming country and western vocalist Nancy Hays with the Hot Set Up Band, Chicago Marriott Hotel

TUESDAY, MAY 23
9:30 a.m.–5:30 p.m.
Exposition opens, McCormick Place

9:30 a.m.–5:30 p.m.
☐ 2nd Annual National Restaurant Association Ice Carving Classic, lower level, McCormick Place North, last day
☐ National Restaurant Association Chefs' Stage, exhibit level, McCormick Place North, last day
☐ 19th Annual Culinary Arts Salon, McCormick Place East, Chicago Room, last day

9:30 a.m.–4:30 p.m.
The Salute to Excellence Student Forum—200 outstanding students talk with successful industry professionals, Chicago Hilton and Towers

10:00–11:30 a.m.
Theater Series, McCormick Place
☐ Dr. Wayne Dyer, Theater 1
Management Clinic, McCormick Place
☐ Gaining the Competitive Edge by Exceeding Expectations
☐ Your Personal Pursuit of Excellence: How to Exceed Your Goals
☐ The Profitability, Growth and Continuity of a Family-Owned Business

Noon–1:30 p.m.
Theater Series, McCormick Place
☐ The Challenge of Self Management, Theater 2
☐ Only Happy Customers Come Back, Theater 3
Management Clinic, McCormick Place
☐ Managing for Keeps
☐ How to Give Customers What They Want
☐ Emerging Technologies

2:00–3:30 p.m.
Theater Series, McCormick Place
☐ Fear of Success, Theater 1

7:00 p.m.
Salute to Excellence Banquet, Chicago Hilton and Towers *(ticketed event)*

WEDNESDAY, MAY 24
9:30 a.m.–2:00 p.m.
Exposition opens, McCormick Place

10:30–Noon
Management Clinic
☐ Marketing on a Limited Budget
☐ Video-based Pre-Employment Testing and Training Programs

Leonard's, a dairy store in Norwalk, Connecticut, that serves 100,000 shoppers a week and grosses an incredible $100 million annually, will give his time-proven tips.

☐ *Marks of a Healthy Business in an Era of Change*—Dr. Steve A. Martin. Former college professor and administrator and now head of his own management development and training firm, Martin will discuss change in today's society and why individuals and organizations resist it. He will also teach techniques for reducing resistance to change.

☐ *Management by Responsibility*—Ingrid Wallace. According to management trainer Wallace, responsibility makes for success in management and personal endeavors. Management by Responsibility (MBR) reinforces the concept that each person is 100 percent responsible for his or her actions. In a lively and entertaining style uniquely her own, Wallace will help attendees identify and redirect nonproductive behavior in themselves and others. Attendees learn about proactive planning, project management and effective persuasion skills in the workplace.

☐ *Fear of Success*—Terry Bradshaw. Recognized as one of the best sports speakers in America, Bradshaw translates sports into the world of business and achievement. Bradshaw's incredible professional football career includes a record four Super Bowl victories. Currently a color analyst for CBS-TV, Bradshaw has two top-selling gospel albums and owns and operates a quarter-horse and cattle ranch in Louisiana.

Ingrid Wallace

Management clinic

The management clinic, a series of informal practical discussions, takes place on the lobby level of McCormick Place, Monday, May 22, Tuesday, May 23 and Wednesday, May 24.

☐ *Systematic vs. Gut-Level Problemsolving.* Former restaurateur Tom Costello, now an industry consultant and associate professor at the Center for Hospitality Management at Cal-Poly, will explain how to use both intuitive forces—the feel of an idea—as well as systematic, methodical and patterned approaches to management and problemsolving.

☐ *Winning Strategies to Maximize Your Potential.* Dr. Wolf J. Rinke, author of *The Winning Foodservice Manager: Strategies for Doing More With Less,* will

Special airfare savings

Delta Airlines and United Airlines have once again been designated the official carriers for the 1989 National Restaurant Association Show. Guaranteed lowest fares possible on Delta or United from any city they serve. Call toll-free, Delta: 1-800-241-6760 and refer to NRA File #D0078; United: 1-800-521-4041 and mention NRA Account 9129-J.

share strategies that can take you to the top. (See the excerpt from his new book in this issue.)

☐ *Gaining the Competitive Edge by Exceeding Expectations.* Susan A. Clarke, a dynamic motivator and personnel trainer with more than 20 years of experience in the hospitality industry, will focus on meeting and exceeding guests' expectations.

Susan A. Clarke

☐ *Break-Even Analysis as a Profit Planning Tool.* Knowing when to grow and by how much is often half the battle of winning. Mickey Warner, associate professor in the School of Hospitality Management at Florida International University, will lead this important workshop for independent operators. Attendees will gain a working knowledge of break-even analysis that aids in development and expansion plans.

☐ *Customer Satisfaction Guaranteed.* At this daylong symposium conducted in conjunction with the Institute of Food Technologists (IFT), a series of speakers from all segments of the industry will discuss such topics as customer satisfaction—being the best, health and nutrition, government and the restaurant industry, and protecting your profits.

☐ *Marketing on a Limited Budget.* Purdue University's Dr. Mitch Crask will explain how hospitality operators can take advantage of some new research findings to help them better capture their primary markets, without spending a great deal of money.

☐ *Will the Government Take Away Your Takeout?* Nancy Sherman of the Foodservice and Packaging Institute will offer a lively presentation on the expanding problem of solid waste. Learn how some of the quick-fix solutions proposed by state and local governments can have devastating repercussions on the foodservice industry.

☐ *Managing for Keeps.* This practical workshop for line and staff managers offers strategies to create a positive company climate that helps to retain employees. Erwin "Doc" Berry of North Carolina Wesleyan will explain the supervisory profile that has the greatest effect on employee performance and retention, and customer satisfaction.

☐ *CHART Programs*—The Council of Hotel and Restaurant Trainers continues its tradition of offering a series of programs on human resource development. This year's offerings include:

☐ *Your Personal Pursuit of Excellence: How to Exceed Your Goals* by Dr. Ann Atkinson. Atkinson will draw on her years of training and management experience to explore the differences between leading and managing, and she will discuss training techniques that achieve maximum productivity.

☐ *Finding and Keeping High-Quality Employees.* In her presentation, which is subtitled "Diving for Pearls in Muddy Waters and Making Them Shine," Jane Blicharz, management trainer for the Canteen Company, will explain how smart managers know the expectations and motivators of the work force and how they act on them to thrive in a tight labor market.

☐ *Why Can't (or Won't) Jackie Do It?* ARA Services Director of Human Resource Development Joel Katz provides guidelines for a commonsense approach to diagnosing performance problems. Katz will differentiate between knowledge and skill deficiencies, helping attendees avoid the common trap of providing training to correct a skill deficiency, when the problem is actually lack of motivation.

☐ *How to Give Customers What They Want.* Judith Maumus, training director at the Sheraton on Harbor Island, will help attendees develop a service program based on the documented success of her company's approach.

☐ *Video-based Pre-employment Testing and Training Programs.* John Zoulas, corporate supervisor of training and development for Westin Hotels and Resorts in Seattle, will outline how video technology can aid in pre-employment screening and increase the efficiency and effectiveness of training programs.

☐ *The Profitability, Growth and Continuity of a Family-Owned Business.* Mike Henning, president of the Henning Family Business Center in Effingham, Illinois, will discuss practices and policies that contribute to the profitability, growth and continuity of a family-owned business.

☐ *Emerging Technologies in Foodservice.* Three important industry professionals will examine technologies that are revolutionizing front and back-of-the-house operations. You'll hear about the impact of computers on the front of the house and how to implement energy conservation measures in the back of the house. Speakers include Rob Grimes, president of Strategic Technology Services Corporation in Rockville, Maryland, Brian Sill, principal of Deterministics in Kirkland, Washington, and Bill Eaton, senior vice president, Cini-Little International, Potomac, Maryland.

☐ *Balancing the Responsibility and Profitability of Nutrition.* A panel of leading industry professionals will discuss creative approaches for turning the latest nutritional guidelines into dollars at the cash register. Panelists include Bob Freeman, president of California Cafes, Corte Madera, California; and Mark Erickson, director of culinary education, Culinary Institute of America, Hyde Park, New York.

Mark Erickson

☐ *Potential with a Plus.* This seminar will help you discover how your organization can work with hearing-impaired individuals. Mary Gawlik and Joe Mottivi of Gallaudet University's experiential program in Washington DC offer insight derived from a 14-year off-campus program that has placed hearing-impaired individuals in jobs consistent with their majors.

Educational seminars

If you can't take the time off to travel to a seminar conducted by the Educational Foundation of the National Restaurant Association, you can combine programs with a visit to the Show. This year the Educational Foundation's seminars will be held on one day only—Sunday, May 21—from 8 a.m. to 3 p.m. on the lobby level of McCormick Place North.

Here is the menu of educational activities:

☐ *Banquet Management.* Are you thinking of moving into the profitable banquet business but are afraid logistics will squelch profits and sap existing resources? This seminar teaches attendees the how-tos of site selection, personnel staffing, banquet-function profitability and menu development. Taught by David Beronio of Hospitality Concepts in Lake Tahoe, Nevada.

☐ *Creating, Planning and Implementing Successful Buffets.* Learn the basics of the profitable buffet business, including creative menus, decor, preparation, cost control and staff motivation. This course applies to foodservice operations of all sizes. Taught by Ron Yudd, general manager of the U.S. Senate restaurants in the Dirksen Building in Washington DC.

☐ *Dining Room Management.* A "must" for all levels of staff and management involved in front-of-the-house operations, this course covers customer relations, employee motivation and "crisis" management. Taught by Ned Carloni, staff instructor at the Educational Foundation.

☐ *Do-it-Yourself Public Relations.* This is a hands-on course that teaches you how to develop an in-house public relations program. Participants will learn how to target markets, design PR campaigns and work with the media. Taught by Suzanne Eisenberg, Eisenberg Communications, Lakeville, Minnesota.

☐ *Food Cost Management.* Learn food cost control through a proven system that tracks actual food use. Attendees will receive the forms and management tools needed to integrate this valuable program into a new or existing operation. Taught by Bill Schwartz, System Concepts, Inc., Scottsdale, Arizona.

☐ *Hiring in a Tight Labor Market.* This course teaches participants how to increase reliable applicant sources, evaluate application forms, perform a hospitality evaluation of job candidates and train management to become more skillful in hiring and maintaining qualified employees. Taught by Jim Moffa, Restaurant Resources Unlimited, St. Clair Shores, Michigan.

☐ *Increasing Sales.* Let's face it. Regardless of how good things are going, they can always be better. This seminar will explore merchandising techniques, sales incentives, motivational tactics and other ways to improve sales. Participants will take a sharp look at their present dining room service. Taught by Denise Minchella, Hospitality Company, Playa del Rey, California.

☐ *Kitchen Management.* Staff, management and the hands-on owner learn specific methods to run a better, more efficient operation—including streamlining purchasing and receiving, reducing food costs and improving quality. Taught by Rob Haimson, Potato Brumbaugh's, Greeley, Colorado.

☐ *Menus That Sell.* Learn how to make the most of menus—a restaurant's number-one sales and marketing tool. From pointers on how to flag poor performers to tips on menu design and layout, this practical program will help attendees take full advantage of their menus as a sales tool. Taught by John Gruner, Gruner's Solution, Camwood, Michigan.

☐ *Perfecting Your Culinary Skills.* High-quality food is the single most important asset in any operation. This course will teach the basics of preparation from fundamental techniques to "tricks of the trade." There is a special emphasis on cost control and efficiency. Taught by Jerry Byrnes, chef/instructor, Culinary Institute of America, Hyde Park, New York.

☐ *Profitability Workshop.* A blueprint for improving profits at the unit level. This seminar introduces a variety of practical and innovative operating systems, management techniques and cost-control tips that can be implemented in any fullservice operation. Taught by Bill Main, The Shorebird Restaurant, Half Moon Bay, California.

☐ *Soups and Sauces.* This seminar spotlights items that are inexpensive and easy to prepare, yet are distinctive, profitable menu additions. The course will present techniques and principles, too. Taught by Dave De Wolfe, chef, Memorial Medical Center, Long Beach, California.

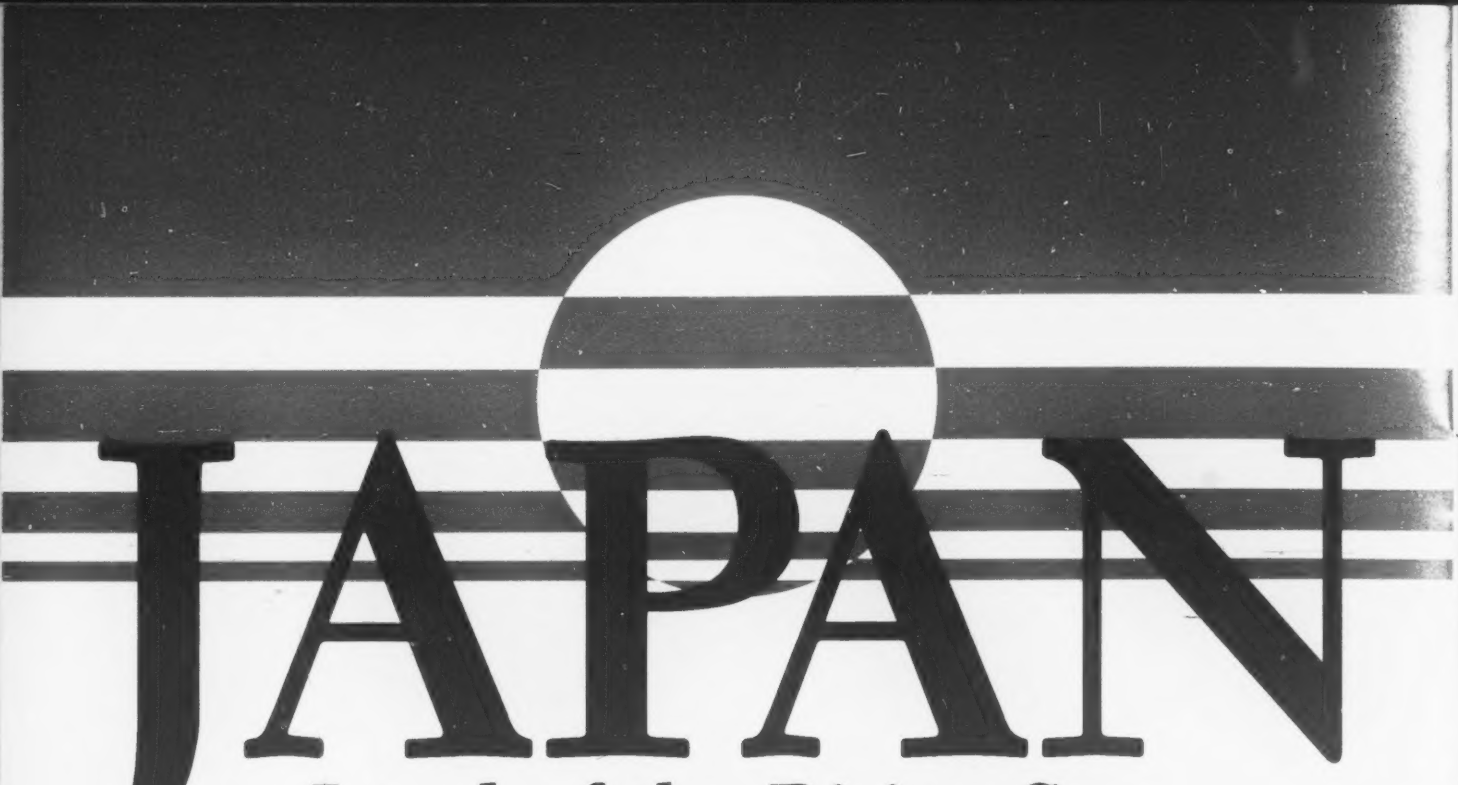
All seminars offered at the Show are $175 for association members and $215 for nonmembers, except for Dining Room Management and Kitchen Management; they are $140 for members, $170 for nonmembers. Multiple-registrant discounts are available.

The registration fee for each seminar and travel expenses are tax deductible. The deductibility of meals associated with seminars is limited to 80 percent.

Educational seminars offer a chance to learn at the Show

These seminars are approved for continuing education credit by the International Food Service Executives Association (IFSEA), the Dietary Managers Association (DMA) and the American Culinary Federation (ACF).

For additional information, contact Customer Service, The Educational Foundation of the National Restaurant Association, 250 S. Wacker Dr., Chicago 60606, (312) 715-1010 or 1-800-522-7578.



JAPAN

Land of the Rising Sun Beckons to American Foodservice

This year's annual Show in Chicago will feature exhibits and attendees from all around the world, a testimony to the increasing globalization of the foodservice industry. At the forefront of this trend is Japan, with its booming economy and ready consumer markets. For many American entrepreneurs willing to take a chance in a foreign land, Japan has been an extraordinary outlet for expansion. In 1989 Japan's restaurant industry will do an estimated $170 billion in sales.

by Carolyn Hughes Crowley

Japan is thought of as a nationalistic country, better known for selling goods and lending money than for extending a hand to outside entrepreneurs. Nevertheless, many American companies have broken through language, cultural and business barriers to achieve success in Japan's foodservice industry.

The fact is that many Japanese consumers are fascinated with anything American, whether it be baseball, rock music or American food. "American items are gaining in popularity here," says Ernest Higa, a Japanese-American businessman who introduced Tokyo to Domino's Pizza. "There is a status connected with an item that carries an American name. That's why our menus are written in both English and Japanese. The English is mostly just for show."

Marketing experts told Higa in the 1960s and 1970s that the rice-loving Japanese would never take to doughy crusts, tomato sauce and pizza delivery. The common response to Japanese supermarket taste tests of cheese was that it "looked and tasted like soap." Higa ignored the warnings and became Domino's licensee in Japan in 1984, opening 50 stores in Tokyo. Why did Higa buck the experts? He reasoned that the Japanese, who place a premium on well-packaged, attractively prepared food, would like pizza's colorful mixtures. Higa's intuition proved to be on target. This year his Domino's stores will reach $60 million in sales, with an average check equal to $19 per pie.

Kentucky Fried Chicken, Japan, has also made the most of its American roots in becoming a Japanese success story. Higa's brother-in-law, Shin Ohkawara, president of the very successful firm, explains that the company has used the best of America's image to sell its chicken. "We sell the idea of good old American green pastures, fresh air and clean water."

Some of the chicken outlets look like a small part of Kentucky settled in suburban Tokyo. Out front is a life-sized Colonel Sanders, and on the walls are pastoral farm scenes. Television commercials feature the music of

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Carolyn Hughes Crowley is a freelance writer in Washington DC.

Stephen Foster. At Christmastime, a promotion urges the Japanese to celebrate an American Christmas with a barrel of chicken.

Broadened horizons

Why are American products so popular in Japan? More than 6 million Japanese travel overseas annually, many of them coming to the United States. As these travelers try new foods abroad, their desire to expand their at-home dining experiences increases, making American restaurant chains that much more popular.

One particular event marked a turning point in the Japanese attitude toward American food. In 1970, 60 million Japanese citizens attended the six-month Osaka International Exposition. "You can't really imagine it today; it marked the beginning of an epoch," says Kazuhiko Haruguchi, executive editor of Japan's weekly *Hotel and Restaurant* magazine. Debuting at the exposition were McDonald's, Kentucky Fried Chicken, a Western cafeteria and foreign ethnic restaurants. Western food caught on. Today, Western-style fast food is the fastest-growing restaurant segment in Japan. In fact, there are more American quickservice establishments in Japan than in any other country outside North America. Between 1974 and 1984, the number of outlets rose from 264 to 1,490.

"All the successful restaurant concepts in Japan have come from the United States, not Europe," says Ernest Higa. "Saying you are from the U.S.A. is the best way to show you are different from the sushi shop down the road."

Meat and dairy consumption have risen sharply in recent years. According to Dr. Hanio Nakamura, a professor in the Department of Medicine at the National Defense Medical College in Tokorozawa City in Japan, the Japanese are eating about one-half the rice they did 25 years ago, although it remains a staple. Beef consumption is on the rise in spite of prices that put ground beef at $12 a pound and finer cuts of meat even higher. These premium prices make beef a luxury item enjoyed by some as a status food. It is no wonder then that McDonald's leads the growth in the fast food sector. For the last six years it has been the largest fast-food franchise in Japan, with sales of more than $1 billion a year. The year after the exposition, McDonald's opened the first of its 650 stores in Japan. Today all but two of Japan's 47 prefectures have a McDonald's restaurant. This Japanese subsidiary of McDonald's is the American company's largest overseas venture, accounting for more than 36 percent of foreign sales.

"People thought we'd never be successful," says Tatsuki Kubo of McDonald's Company (Japan) Ltd.

"They told us that the Japanese wouldn't eat hamburgers because they didn't know what they were." Instead, Japan has rewarded American restaurants like McDonald's with millions of dollars of patronage. This has happened not only because the Japanese like things that are American, but also because the Japanese have many lifestyle characteristics that are similar to those of U.S. consumers.

An on-the-go society

It is not uncommon today for Western-dressed Japanese women to visit Shinto shrines and then afterward stop at McDonald's for a Big Mac and a shake. When asked why she chose McDonald's for a meal, one young mother, balancing a baby, grocery packages and McDonald's bags in her arms, explained, "We're going out of town today, so we don't have time to stop and eat lunch. We'll eat in the car." Just like Americans, the Japanese find themselves on the go in a mobile society.

Japan is also like the United States in that the country has a well-developed economy. There is sufficient capital available for the startup of new foodservice ventures, and there is a well-to-do consumer market capable of driving the expansion of foodservice outlets.

In 1989 Japan's vibrant restaurant industry will register an estimated $170 billion in sales in a country the size of California. Japan's population is about half that of the United States, yet there are more than 1 million foodservice establishments in Japan—one for every 117 people, which is more than triple the U.S. rate of one for every 400 people. Japan's per capita expenditures also exceed those in the United States. In 1986, the Japanese spent $1,100 per person on eating-out expenditures, versus $768 in the United States. "Japan is a society of affluent people who can afford to eat out," says Robert I. Higgins, president of the international division of Denny's Inc.

Prices tell part of the story. The prices of many foods in Japan seem extremely high—especially when converted into U.S. dollars, which have fallen in value in recent years relative to the Japanese yen. Imported

Success on the sidelines

Even novelty food items can win a loyal Japanese following. When Baskin-Robbins, the world's largest chain of ice cream stores, initially went to Japan, "People warned us the stores would never stay open during a Japanese winter," says Baskin-Robbins spokesperson Mary Motherwell. But before long, "31 Flavors," as the Japanese call Baskin-Robbins, became an institution. "All we had to do was convince them to eat ice cream," says Motherwell. "It's not a hard product to sell." There are now 436 Baskin-Robbins stores in Japan. The only major difference in ice cream marketing in Japan is that different flavors are favored. For instance, marshmallow-lemon and green tea are big hits in Japan, and chocolate is not as popular as in the United States.

Even the bagel has secured a niche in the Japanese market. Japan's preeminent bagel maker is 39-year-old Chicagoan Lyle Fox, whose main store in Tokyo is about the size of a walk-in closet. His outlets are in Tokyo department stores, Nagasaki coffee shops and in central Japanese cities. For the Japanese eye and touch, he makes bagels smaller, softer and more uniform than those sold in the United States.

Fox produces about 10,000 bagels a day, in flavors ranging from whole-wheat to sesame seed to cinnamon-raisin—the big favorite. Fox says his customers are mostly young Japanese women 18 to 29 years old who think bagels are trendy, upscale and tasty. "People come in and ask for lox and cream cheese on cinnamon-raisin. I almost die when I hear that," says Fox.

cantaloupes sell for $65 each in Japan, apples are $5.25 each, and a box of 104 cherries costs $240. A 14-inch Domino's pizza in Tokyo rings up at $27, and a steak can cost $50 or more.

Business the Japanese way

Another reason for the proliferation of American restaurants in Japan is that many Japanese businesspeople want to be franchisees. Cash-rich businesses in Japan are rushing to find new business opportunities—frequently franchises—to take advantage of the yen's strength against the dollar.

"Japan is a series of mom-and-pop shops. To convert these kinds of operations into franchises is ideal," says Anne Hayashi, assistant vice president of Link Consulting Associates, a Japan-based consulting firm that matches Japanese investors with U.S. franchise companies.

Hayashi points out, however, that an American company's blueprints for success may have to be altered slightly after crossing the Pacific. "Just because something works a particular way in the United States, you can't be so rigid as to say it should work the same way in the Pacific Rim," explains Hayashi. "So you give them the ground rules or the product and tell them, 'This is how we do it and why it works here.' They take it and adapt it to Japan."

The opening of a Zack's Frozen Yogurt store is adapted to fit the Japanese culture.

ZACK'S
FROZEN
YOGURT

When Wolfgang Puck's Spago Restaurant opened a restaurant in a Tokyo nightlife district in 1983, supervising director Johnny Romoglia found that the spirit of compromise was crucial to success.

"The Japanese want things their way. You have to be diplomatic, prove your success, and then they'll accept your idea. But there must be give-and-take," explains Romoglia, who is now Spago's dining room manager in Los Angeles.

Zack's Famous Frozen Yogurt, based in Metairie, Louisiana, opened its first store in Japan in 1987 and has already grown to four units. Zack's' President Steven A. Watts is pleased with his company's first international market venture. "The Japanese are easy, polite and honorable to work with," he says. "I feel we have made friends for life."

Zack's assisted the Japanese in training, site selection and store operations, but Watts points out that "they take leadership and evaluate and implement decisions. Once they make a decision, they move rapidly. They don't take well to a heavy hand."

Pleasing the Japanese palate and eye

American companies seeking success across the ocean have also had their share of adaptations. Domino's made product changes when it entered the Japanese market. For example, it serves 10-inch and 14-inch pizzas in Japan, instead of the 12-inch and 16-inch pizzas served in the United States. Although it offers the same toppings as in America and pepperoni is the most popular, it has added tuna

Boardroom Special

Peterson speaks at Pan-Pacific Conference

When National Restaurant Association President Jim Peterson was asked to address the International Pan-Pacific Foodservice Conference in Tokyo last November, this is the advice he gave to those present about ways the Japan Foodservice Association could encourage the development of the foodservice industry in Asia.

We are entering an era in which international exchange will become absolutely mandatory. We must exchange ideas, technologies, procedures, human resources and knowledge. The world is shrinking. Due to the computer, satellite technology, fiber-optics, facsimile systems and modern air transportation, we are increasingly doing business across international borders. At least one Japanese scholar has suggested that the business executive of today must learn to do business in three parts of the world—the United States, Europe and the Pacific Rim.

Organizations such as the Japan Foodservice Association and the International Pan-Pacific Foodservice Conference can take a leadership role in such exchanges. My specific suggestions are that the Japan Foodservice Association encourage:

☐ **1. All member countries to participate in the exchange of ideas and food products.** I've never seen a country whose people did not love the foods of other countries. Sushi is a favorite food in the United States, just as Peking Duck is a favorite worldwide. The Japan

WENDY'S
WENDY'S
国温娣漢堡

Wendy's' "all American" sign really stands out on a crowded Tokyo street.

and sweet corn. Domino's also retains its 30-minute-delivery guarantee in Tokyo, which is no small feat for deliverers who must ride on custom-made motor scooters through the thousands of unnamed streets. If the delivery time exceeds the guarantee, the customer receives a $5 refund.

Wendy's, which opened its first store in Japan in 1981 and now has 39 in the Tokyo area, customized its products to the Japanese taste and downsized its food portions and table settings. Special flavors and products have been added, such as mushroom-teriyaki hamburger.

The right site

The problem of adapting to a new market and new business practices pale in comparison with the major obstacle to starting a Japanese venture: finding a site on which to do business.

"Finding space is the number-one problem in Japan," says Wendy's Vice President Denny Lynch. "Affordability of the land is the second problem." Japan's high population density and booming economy have led to soaring land prices. Some Japanese companies have combated high real estate costs by entering into site-sharing arrangements with other businesses. (See "The Squeeze Is On Location" in the August 1988 issue of ***Restaurants USA.***) But American businesses trying to franchise in Japan may find themselves at the mercy of their Japanese partners' ability to obtain a site.

"Real estate is a killer over there," says Steve Watts of Zack's. "But it's worth it because of the number of people in a smaller area." The rent for a Zack's store in Tokyo is three times higher than in the United States, and the site is smaller—700 square feet versus 1,000 to 1,200 square feet in the United States.

DOMINO'S PIZZA

Domino's Pizza keeps its famous 30-minute delivery guarantee by using a fleet of motor scooters.

In sum

In many ways, Japan looks like a dream market for American foodservice companies. It has densely populated cities and citizens who are willing to spend their yen dining out on American food. But, as with any international venture, there are unique problems with doing business in Japan—including, above all, the high cost of real estate. ❑

Foodservice Association can be instrumental in promoting the foods of the Pacific Rim.

☐ **2. Japan to avoid protectionist measures.** The worst thing that could happen is for the food industry to follow in the footsteps of the electronics and automotive industries. Much can be gained by opening your food markets to competition. Closed markets lead to bitter relationships. In the end, both countries lose. Bilateral trade agreements can lead to exchanges that benefit both nations. Japan can transfer POS technology to other Pacific Rim countries in exchange for entry into their markets. Look at the ways MOS Burger has adopted the Western fast food concept and transformed it to create a fast food noodle chain.

☐ **3. The building of common international standards of food excellence in the Pacific Rim.** Guidelines for temperature, refrigeration and cleanliness can be established and disseminated throughout the Pacific Rim. An international advisory board could monitor and publish standards.

☐ **4. An international distribution system.** Without a reliable distribution system, a multi-unit operation cannot expand across international borders. Yet, because of different cultures and national policies, this type of system may be difficult to implement in the Pacific Rim. It is, however, a goal to work toward. At Whataburger, we have learned that there is a direct relationship between a good distribution system and a high-quality product.

☐ **5. Cooperation on international issues.** There are many issues that face the food industry. Some of these issues are the same in the United States as they are in Asia. *Time* magazine recently ran a cover story on the sad state of our oceans. At the present rate of pollution, we may soon find ourselves without the resources to catch the kind of high-quality fish that countries like Japan are accustomed to.

☐ **6. Legislation to allow the food industry to develop without governmental interference.** Governmental intervention can only stymie the growth of the foodservice industry in any country. It will be up to organizations like yours to convince your respective governments that the food industry can be the largest employer in the country if it is allowed to develop without interference.

☐ **7. Education.** The role of educating and training foodservice personnel cannot be overemphasized. I would encourage organizations such as yours to help fund new programs at universities. The food industry is becoming increasingly sophisticated. We must help our managers to adapt to the rapid changes.

Welcoming foreign tourists

As the first in a series focusing on travel and tourism within the United States, this article examines foreign travel to the United States. It reviews the growth in popularity of the United States as a destination for foreign tourists and highlights how these international visitors can be a potentially lucrative market for restaurateurs.

Although U.S. citizens have always enjoyed traveling and seeking the unknown or unvisited, their adventurous spirit is not unique. People from many parts of the world share that interest in travel and discovery. These international tourists are increasingly heading toward the United States, especially since the U.S. dollar has decreased in value abroad during recent years.

The United States Travel and Tourism Administration (USTTA) projects that the number of foreign visitors to the United States will climb during the next few years. Recently revised projections estimate that the number of foreign visitors rose 14 percent to 33.7 million in 1988 and will grow to 35.7 million in 1989—an increase of 6 percent. In 1990, USTTA projects that 37.2 million foreigners will visit the United States. These foreign travelers represent a growing market for the U.S. foodservice industry.

Where do they come from?

Where do these foreign tourists come from? Not surprisingly, the two largest groups of visitors are from Canada and Mexico. Almost 14 million Canadians traveled to the United States in 1988. If that number is combined with the 7.5 million Mexican visitors, then 63 percent of all foreign travelers to the United States in 1988 came from North America.

The remaining 37 percent of foreign visitors in 1988 were from overseas. Although in 1987 these overseas visitors represented only 35 percent of total foreign travelers, their numbers should increase to 38.3 percent in 1989 and to 38.9 percent in 1990. The diminished exchange rate of the U.S. dollar has enhanced the United States' position as a destination and leads tourists to expect a "better value," thereby increasing the proportion of overseas travelers.

According to USTTA, five countries registered a significant 20 percent or higher increase in foreigners visiting the United States in 1988: the United Kingdom (34 percent), Japan (24 percent), Germany (23 percent), Switzerland (20 percent) and the Netherlands (20 percent). A sixth country, France, provides a steady flow of tourists. Japanese visitors are expected to increase more than 20 percent again in 1989, making Japan both the largest and the fastest-growing overseas source of U.S.-bound travelers.

Overseas visitors—market breakdown, 1988*

More than eight of every 10 visitors to the United States are traveling for pleasure

Visa type	Arrivals	Percentage of total
Pleasure	7,793,515	80.9%
Business	1,601,004	16.6
Student	238,305	2.5

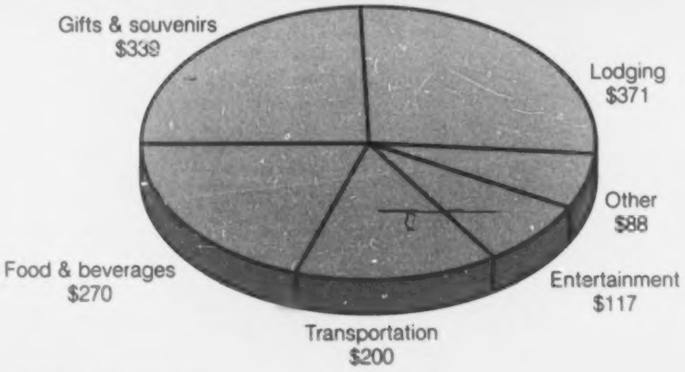
**first nine months of 1988 based on visa*

Note: *Does not include visitors from Canada or Mexico*

Source: U.S. Travel and Tourism Administration

Expenditures by foreign visitors, 1987* (average per visitor)

Food and beverages were the third-highest expenditure among foreign visitors to the United States



**While in the United States*

Source: U.S. Travel & Tourism Administration

States look to increase foreign tourism

With foreign travel to the United States on the rise, many states are increasing their marketing efforts to attract foreign visitors.

Because tourism from Japan and Western Europe is particularly high, it is not surprising that many states are promoting themselves in those countries in 1989. According to the U.S. Travel Data Center, Alaska plans to spend $590,000 in Japan and $255,000 in West Germany during 1989 to promote tourism. Colorado, Florida, Massachusetts, Utah and Virginia expect to target Europe, while Georgia, Hawaii, Idaho, Montana, Nevada, Oregon and Wyoming plan promotions in Japan. Alabama, Florida, Hawaii, Montana and North Dakota will advertise their states in Canada, while Wyoming will blaze another trail by promoting itself in both Australia and Taiwan.

Additionally, many states have travel offices in foreign countries to help increase awareness abroad. Japan has the largest number (20) of travel offices from states, but locations such as West Germany, England, Canada and Belgium are also popular.

Foreign arrivals, 1988–1990*

Canada and Mexico account for the largest number of foreign visitors

Country of origin	1988 arrivals (000)	1989 arrivals (000)	1990 arrivals (000)
Neighboring			
Canada	13,697	14,245	14,535
Mexico	7,505	7,805	8,200
Overseas	12,534	13,700	14,455
Europe	5,772	6,215	6,415
United Kingdom	1,822	2,055	2,120
Germany	1,174	1,235	1,275
France	617	640	655
Italy	353	375	385
Switzerland	286	305	325
Netherlands	242	255	265
Caribbean	989	1,125	1,285
Asia/Mid-East	3,793	4,290	4,610
Japan	2,639	3,220	3,515
South America	981	1,035	1,078
Oceania	518	550	580
Australia	332	350	370
Central America	348	350	350
Africa	133	140	145
GRAND TOTAL	33,736	35,750	37,190

**projected*

Source: U.S. Travel and Tourism Administration

Where do they go?

Perhaps more crucial to restaurateurs vying for a share of this large market of foreign visitors is where these travelers go once they arrive in the United States. Foreigners appear to be drawn to either the East or West Coasts. USTTA data indicated that California was the most highly visited state by foreigners in 1987, followed by New York, Texas, Florida and Hawaii. Furthermore, USTTA found that New York City was visited by more than one-fourth (26 percent) of all foreign visitors in 1987. Los Angeles (22 percent) and San Francisco (20 percent) were the next most popular U.S. cities. Because of an already high visibility among foreign travelers, restaurateurs in these areas may only need to make their establishments "top of mind" to tap the overseas visitor market.

For restaurateurs not in these prime travel areas, it is still possible to attract foreign travelers. In 1987 more than half (53 percent) the foreign tourists actually visited two or more states while in the United States. In fact, more than one-third of overseas visitors used either a rental (38 percent) or private (36 percent) automobile while in the United States. Thus, overseas visitors are not necessarily limited to the city or state in which they begin their stay; they can readily travel to dining establishments that may not be next door to their accommodations. Moreover, since many overseas travelers are attracted to activities such as shopping and sightseeing, establishments in close proximity to such activities have an increased potential for capturing part of the foreign-traveler market.

Who are these travelers?

Perhaps more important than knowing where foreign travelers come from and where they are going is

Quick facts on foreign visitors

Japan

☐ The typical Japanese overseas trip to the United States is an all-inclusive package vacation.

☐ The destination is usually chosen in consultation with a travel agent.

☐ Most popular months: May to October.

☐ Children under 18 years old are rarely included on overseas vacations.

☐ Top activities in order of preference: sightseeing, shopping, dining out and guided excursions.

☐ Most Japanese visitors travel to the West Coast.

United Kingdom

☐ Most British travelers do not take package vacations.

☐ Nearly 25 percent travel alone and 50 percent travel as couples.

☐ Children accompany about one out of every five visitors.

☐ Most popular months: July to October.

☐ The main purpose of a U.S. trip: to visit friends or relatives.

☐ Top five activities in order of preference: shopping, taking pictures, dining out, sightseeing and food sampling.

☐ The most popular destinations: the coastal areas of the U.S. mainland—particularly New York, Florida and California.

West Germany

☐ Food and eating out are top-of-mind activities for travelers from West Germany. Their favorite activities are dining out and sampling local foods.

☐ West German visitors are usually not part of a package vacation. More than 30 percent travel alone.

☐ West German children are rarely included on overseas trips.

☐ Travel occurs mainly in the summer and, to a lesser degree, the spring.

☐ Favorite destinations: New York and California.

France

☐ French tourists are very interested in tasting U.S. cuisine. Their favorite activity is sampling local foods, followed by dining out.

☐ Travel to the United States usually occurs in July and August.

☐ The French have little interest in package vacations.

☐ Visiting friends/relatives and touring are top draws.

☐ New York is the top destination.

Source: U.S. Travel and Tourism Administration knowing which tourists are coming and how to reach them before they arrive. According to USTTA, in 1987 more men than women traveled overseas to the United States (62 percent versus 33 percent); very few travelers were children (only 5 percent were under 18 years old). The average male overseas traveler was 41 years old and was slightly older than the average female overseas traveler (37 years old).

The average party size was small—1.4 persons, with almost half (48 percent) traveling alone and more than one-third traveling with a family member (34 percent). Most overseas travelers had white-collar occupations: 67 percent were either managers/executives, professionals/technical workers or clerical/sales workers, with a high average family income of $46,820 per year. Therefore, amenities for small parties, especially single diners, and an atmosphere that would attract affluent adult patrons could be particularly attractive to an overseas traveler.

When making travel arrangements, most foreign visitors (62 percent) used a travel agent as a principal source of information, according to USTTA. Friends and relatives were also consulted (20 percent), as were the airlines (17 percent). Published sources, such as travel guides and books, newspapers and magazines, and government sources were less commonly used. Moreover, 78 percent of overseas travelers had previously visited the United States. A positive restaurant experience could lead not only to word-of-mouth advertising overseas but also to a potential return patron on a subsequent U.S. visit.

—Nancy Michalski

Where to go for more information

Restaurateurs interested in obtaining more information on foreign travelers to the United States and how to market to them should check with the U.S. Travel and Tourism Administration. Many USTTA resources are free or available at a low cost.

Contact: Office of Research, U.S. Travel and Tourism Administration, U.S. Department of Commerce, Room 1516, Washington, DC 20230, (202) 377-4028.

Consider their versatility, and it is no wonder that sausages are showing up again on restaurant menus. Appropriate at any time of the day, they can be served at any part of the meal—even at dessert. And they add zesty accents to stuffings, soups, stews, vegetables and pizzas. Moreover, sausages easily adapt to the limitations of any kitchen, since they can be grilled, steamed, poached, boiled, broiled, baked or roasted.

by Claire Regan

Chef Tina Mueller, author of *The Professional Chef's Book of Charcuterie* (CBI, Van Nostrand Reinhold Co., Inc. 1987), praises sausages. "Sausage can be an aristocratic or a peasant food. It can be dressed up with morrels or lobster or left simple and hearty. Commercial preparations have maligned the image of sausage, but I think people have renewed appreciation for the art of sausage preparation. Sausages are no longer considered the lowly sandwich you eat at the amusement park. They appeal to the artistic sense of both the patron and the chef." That is why the sausages of today are often a far cry from their traditional roots, as chefs experiment with a variety of ingredient combinations and presentations.

Sausages of days gone by

Sausages have been part of our culinary repertoire since the days of ancient Greece and, like most inventions, were created out of necessity. An unsteady supply of slaughter animals forced early humans to use every last part of an animal. The stomach and intestines proved to be a convenient cooking pouch for meat scraps, organ meats and blood. The Romans, who were particularly fond of eating, are reputedly responsible for sausage's ethnic diversity because they introduced the culinary creation to the territories they conquered. Once accepted, sausages developed distinctive flavors—partly a result of ingredients, economics and religious beliefs, and partly as a result of the type of wood used for smoking.

Prior to refrigeration, spices were often used to mask the flavor of sausages made from spoiled meat. In fact, the deadly toxin botulin earned its name from *botulus*, the Latin word for sausage, after a 19th century botulism outbreak was traced to blood sausage in Germany.

The first American sausage is thought to have been pemmican, a smoked sausage patty made from grain, fat and berries. It was eaten by American Indians.

Sausages of today

The sausages of today are often less greasy—and healthier—than the traditional variety. And they are often more unusual. "At Trumps (Los Angeles), I can put almost anything tasty into a sausage casing, and people will order as much of it as I can prepare," says chef/author Michael Roberts in *Secret Ingredients* (Bantam, 1988). Dishes include mixed-seafood sausages, chicken-liver-and-sage sausages, turkey sausages and chocolate lamb sausages.

At 8700, a 100-seat restaurant in Scottsdale, Arizona, chefs have transformed the plebeian hot dog into pheasant sausage. Served with a mesquite grilled corn cake, it is a popular appetizer.

According to general manager Bruce Eaglesham, "We go through three to five pounds of it a day." The restaurant features other sausages for its daily-special appetizers, including rabbit, seafood, duck, Mexican chorizo and the show-

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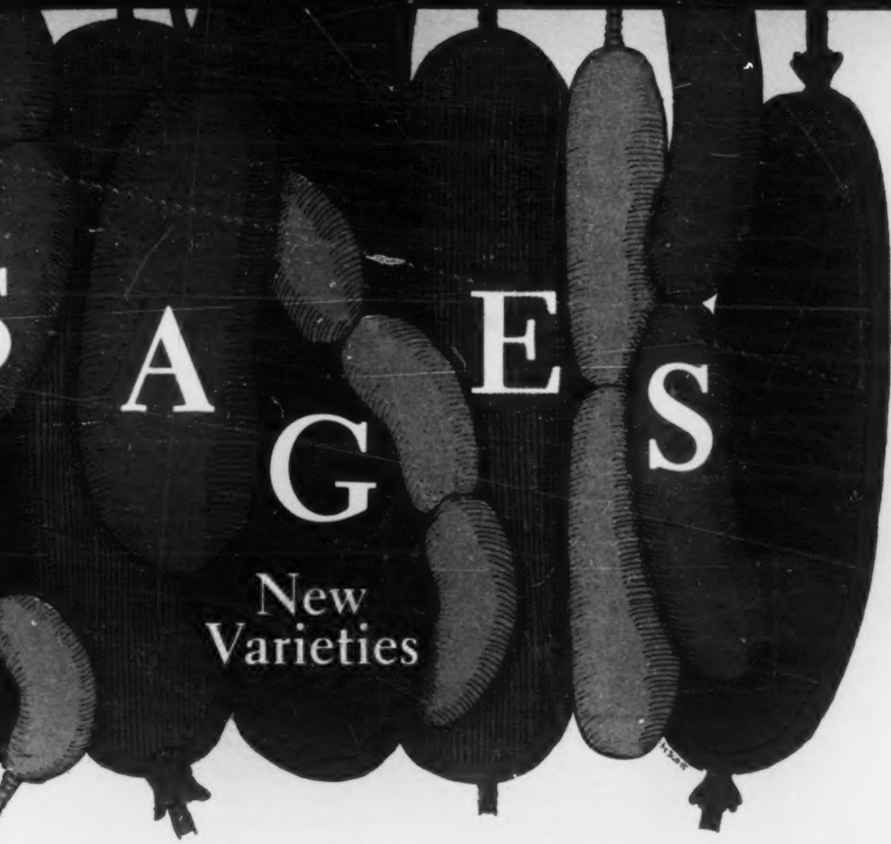
Claire Regan, R.D., is manager/staff nutritionist at the National Restaurant Association.



New Varieties

Margaret Scott

stopping rattlesnake variety, which attracts curiosity seekers. "Rattlesnake isn't at all gamey in flavor. In fact, the spices we add—cilantro and cayenne—really add to the flavor. Whenever we have rattlesnake sausage it's a sellout. People are curious, plus it tastes good," Eaglesham is quick to point out.

Sausage appetizer specials are often served with fresh flour tortillas and red or yellow tomato salsa. And as entrees, sausages have also been included in 8700's mixed grill.

Even more unusual than the sausage varieties at 8700 is a dessert sausage—a fruit boudin, developed by Tina Mueller when she worked at the World Trade Center's Market Bar and Dining Room in Manhattan. "At the Market Bar I was responsible for pates and terrines and had a chance to explore. This was the genesis of many of the recipes in my book," Mueller explains. "The nouvelle French movement actually influenced the creation of the fruit boudin. We wanted a light, simple dessert. Served sliced on a chilled plate, garnished with fruit and a mint sprig and drizzled with creme de cassis, the fruit boudin had eye appeal."

In addition to her fruit boudin, Mueller has developed a low-fat sausage. "Sausages do have a reputation for being fatty, and it's justified in some cases. Fat not only adds taste and texture but it also acts as a binder and keeps the density down." Experimenting with lean meat, egg white, stock and grains like rice and kasha, Mueller came up with a tasty low-fat sausage with a good texture. (See recipe.)

Making your own

Many chefs advocate on-premises sausage preparation. It's more creative and permits more quality and food cost control. "Making sausages is not at all difficult," promises chef Roberts. "You should attempt it at least once." "It gives you a chance to fully utilize a product, like a whole pork loin," explains chef Fred VonHusen, an associate culinary instructor at the Culinary Institute of America. "The end trimmings can also be used in sausage or pate and thereby increase the profit margin. Plus you have total control over the quality of your product." VonHusen believes that on-premises sausage preparation is the "coming thing" for independent operators and caterers. Most chefs already have the necessary equipment—a grinder/mixer, food processor or buffalo chopper. "With one of these you can make any kind of sausage," VonHusen explains. Then all you need are casings or plastic wrap.

But for those who might lack the labor on-premises sausage-making requires, there are suppliers who offer a variety of interesting, fresh sausages. The Aidells Sausage Company of Kensington, California, is among them, with chef-turned-sausage-maker Bruce Aidells at the helm. Aidells, former executive chef at Poulet Restaurant/Charcuterie in Berkeley, California, makes sausages with a new twist—such as Cajun sausage; duck sausage seasoned with green peppercorns and oranges; chicken apple sausage; and smoked-turkey kielbasa. Aidells has also created custom sausages for operators who order a large volume, including whiskey fennel, a lightly smoked pork sausage he soon will be adding to his product list.

Alligator sausage is one variety that chefs may not be prone to produce in-house. But according to Paul Marciante, manufacturer of Marciante brand sausage (Itals Inc., Chalmette, Louisiana), sales of his alligator sausage (60 percent alligator meat, 40 percent pork) are "fantastic," both in Louisana and out of state. "The tourists love it. I sell to all kinds of restaurants, not just Cajun. Some of my customers serve alligator sausage in a marinara sauce over pasta, with a tarragon-stuffed chicken breast, or with artichoke hearts and black olives in a light cream sauce." Marciante compares the flavor of alligator to that of veal. "If they didn't read it on the menu, people probably wouldn't even know they're eating alligator," Marciante speculates. ☐

LOW-FAT SAUSAGE

Yields about 2½ lbs.

Ingredients:
3 yards pork casings
1 lb. boneless lean beef or poultry, cut into strips or cubes
1 lb. boneless lean pork, cut into strips or cubes
3 crushed ice cubes (preferably made from brown stock)
1 to 1½ cups cooked grains (such as kasha, rice, or bulgur) or crumbled firm tofu
½ onion, minced
3 egg whites
1½ tspns. crumbled sage
1 tspn. honey or sugar
1 tspn. black pepper
1 tspn. quatre epices
½ tspn. cayenne

Method:
Prepare the casings. Combine all the remaining ingredients and pass them through a coarse grinding disk. Test the seasonings and correct if necessary. Stuff the casings and form 2½-inch links. Refrigerate the sausage, uncovered, for 12 hours before cooking, in order to develop its flavor.

Securely wrapped, this sausage keeps for 2 days refrigerated, or about 1 month frozen.

Serving suggestions:
Gently poach the sausage in stock, soup or tomato sauce. Poaching helps maintain a moist-textured sausage and contributes flavor. Serve as you would any other sausage.

—*Reprinted from* The Professional Chef's Book of Charcuterie *by Tina Mueller, Van Nostrand Reinhold Co., Inc., 1987.*

FISHER'S LAW

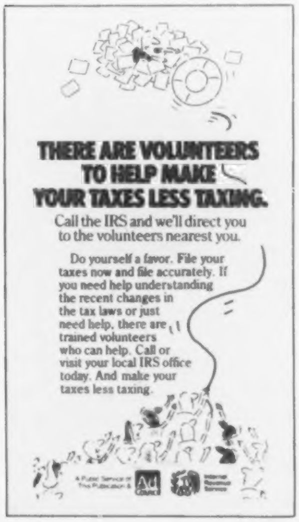
#98

The tax audit

For a person of average means there is roughly a 2 percent chance that your federal income tax return will be audited by the Internal Revenue Service (IRS) in any given year. If you are above or below the average income level, then the probability of audit will increase or decrease, respectively. Moreover, once you've been audited, and if the IRS has collected back taxes (plus interest and penalties) as a result, you remain high on its list of "audit candidates" in succeeding years. If you face a tax audit, here are some suggestions you may want to consider.

1. Go into absolute panic. Next progress to shock, then to irrational anger.

2. Realize that there are three types of audits. The first type of audit is a *letter audit.* In this case the IRS simply writes you and wants you to justify or explain a deduction you've taken, a revenue that wasn't reported, etc., by return mail. Ignore the letter. The IRS will probably go away. If they do contact you again, tell them you never got the first letter because it didn't come by registered or certified mail. Then tell them there must be some mistake but that you will send a full explanation and/or documentation under separate cover because it will take you a few days to get your documents together. Then don't send it.



Call the IRS and we'll direct you to the volunteers nearest you.

Do yourself a favor. File your taxes now and file accurately. If you need help understanding the recent changes in the tax laws or just need help, there are trained volunteers who can help. Call or visit your local IRS office today. And make your taxes less taxing.

If they contact you a third time, tell them you can't understand why they didn't hear from you. The mail really must be terrible, since you never got their first letter and they did not receive your reply with the documentation. Tell them you've enclosed a copy of your explanation with your letter. Then don't do it. Enclose instead a copy of the second IRS notice to you. (After all, with all this paperwork, anyone could get mixed up.) The IRS will probably go away.

If they persist and contact you a fourth time, write back that you believe you are being harassed and demand that a new agent be assigned to your case. Send a copy to the Commissioner of IRS, the agent's supervisor, your Congressman, your two Senators and the campaign finance chairperson of these politicians to add clout to your response. This time the IRS will probably go away or the agent will quit, be transferred, get a promotion, etc.

If you hear from the IRS a fifth time, don't even open the envelope; you know what it's going to say anyway. Instead buy one of those desk stamps that says, "Moved! No known forwarding address." You may have to do this every year or so, but it makes for an interesting life.

3. The second type of audit is an *office audit.* The agent will invite you to come to the IRS offices and bring specific information with you relative to the returns being audited. Write back stating that your busy schedule does not afford you time to accept the kind invitation. The IRS will probably go away. If the IRS contacts you again, invite the agent to meet on "your turf" instead. Try to have the meeting on your yacht (rent one if you have to) so you can dazzle and intimidate the agent. If there are no lakes around, your vacation home is the next best meeting place, followed by your primary residence and then your place of business.

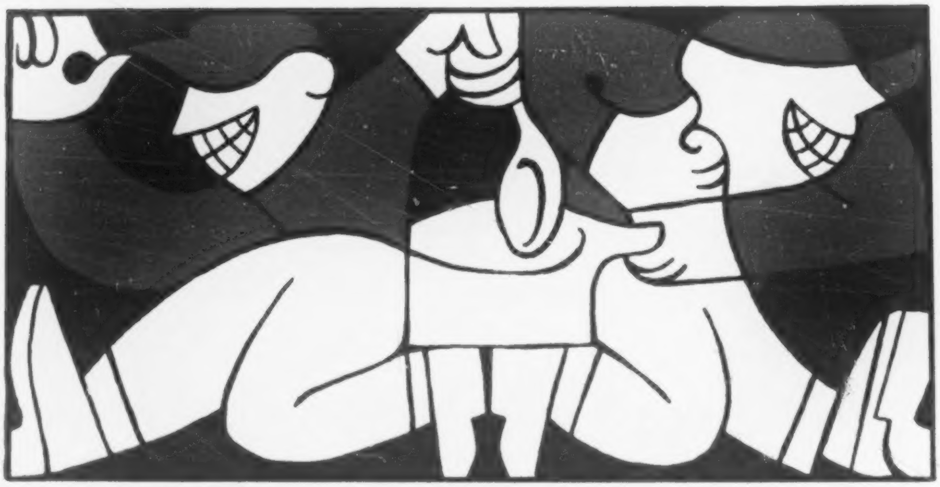
When the agent refuses to meet on your turf, become indignant and write that you are doing your best to cooperate but that he or she is noncooperative by not accommodating your reasonable request. If that doesn't work, write the agent a personal note stating that you want to talk about a job offer and that decorum calls for that kind of a conversation to be conducted on your premises. If that doesn't work, change your name, have plastic surgery and move.

4. The third type of audit is the *field audit.* In this case the agent will visit your place of business and will want to inspect all your records, restricted only by the statute of limitations. In this case, do the reverse of what you do in the case of an office audit: Tell the agent you'll be glad to visit the IRS offices and that you'll bring all the records with you.

Then rent a truck and load at least 100 large crates filled with all kinds of official-looking paper, and drive to the IRS offices at the appointed time. Ask the agent where you should unload the records. If this doesn't work and the agent still insists on visiting your place of business, rent the most dilapidated building you can find and put up a sign that says "Headquarters." Put the agent in a windowless office and punch tiny holes in the roof. Then place your lawn sprinkler on the roof at the appropriate spot, and turn it on. Make sure the lighting is dim—a single shadeless light bulb will do fine. Hire some neighborhood youngsters to catch spiders, gather snakes, etc., and let them loose in the agent's room. When the agent objects, demand that another agent be assigned to your case.

5. At all times be very vocal about the extent of your business operations. Also wear your finest clothes and all your jewelry. Don't wait for any questions to be asked; volunteer as much information as you possibly can, keeping up a steady monologue. Intersperse comments about how well you are connected politically and that it's too bad a bright person such as the agent is stuck in such a lousy job when he or she is obviously capable of so much more. Then hire the agent!

Fisher's Law #98: Don't make a tax audit a taxing matter. If you want to avoid potential difficulties with the IRS, be honest and professional in your compliance with all applicable tax laws.



Max Karl Winkler

Westborough, MA

A tough A.C.T. to follow

At Tom Foolery's in Westborough, Massachusetts, the kitchen is considered such an important area that it is referred to as the "heart of the house" instead of the "back of the house." But the biggest boost to the kitchen staff's collective self-esteem came two years ago, when they were all made part of the Amazing Culinary Team (A.C.T.). Ever since, says general manager Tom Lyons, local chefs and kitchen workers have been looking for a chance to get in on the A.C.T.—but openings are few and far between.

According to Lyons, the A.C.T. was conceived in 1986, when the labor shortage in Massachusetts was at its height. To attract a better-quality staff and to recognize the contributions of current kitchen workers, owner Tom McCabe and his managers came up with the Amazing Culinary Team idea. They developed an A.C.T. logo that was put on hats, golf shirts, gym bags and satin baseball-style jackets. Then a meeting was called to introduce kitchen staffers to the A.C.T., and all cooks, prepworkers and dishwashers received an A.C.T. uniform package.

The program raised morale and helped the individuals think of themselves as members of a team rather than simply names on a payroll. The Amazing Culinary Team concept also has been a useful recruiting device. Openings are rare, however, because turnover has been almost "non-existent" since the A.C.T. was established.

What's next for the Amazing Culinary Team? An A.C.T. poster—just what every celebrated team deserves.

Los Angeles suburbs

Using his noodle

When Bob Mandler decided his California-based Chin Chin Chinese restaurants needed a shot in the arm, he decided to use his noodle. Rather than emphasizing "Cal-Asian" or "nouvelle Chinese" dishes, Chin Chin's new menu features authentic Chinese noodle dishes prepared in an up-to-date manner.

Mandler realized that he could tap into the surging demand for pasta by adding a variety of noodle dishes that have long been a staple in China. "It was really a natural marriage," he says, "between the new emphasis on pasta in this country and the noodle dishes that have always been popular in China. So, rather than go in the nouvelle direction, we decided to turn inward and go more traditional," says Mandler, who will soon be opening his fourth Chin Chin.

Some of the noodle dishes on the new Chin Chin menu, such as pork lo mein and chicken chow mein, have long been familiar to Americans. Not so for several of the other dishes. *Chin Chin primavera*—consisting of shredded Chinese vegetables and rice vermicelli in a savory garlic broth—is a traditional Chinese dish with an up-to-date American moniker.

Rockville, MD

Paying the price

There seems to be no end to the imaginative steps restaurateurs will take to combat the national labor shortage. In the Washington DC suburb of Rockville, Maryland, for example, where $6.00-an-hour entry-level foodservice jobs routinely go begging, the owners of the new Silver Diner undertook a full-blown advertising campaign to attract applicants—before the chrome-and-neon restaurant even opened its doors.

In addition to spending more than $10,000 on newspaper advertising, the Silver Diner put its message out over the local radio airwaves, a strategy usually reserved for larger companies. Twenty-five thousand postcards, complete with a picture of the diner and blurbs about its attractiveness as a workplace, were mailed out by Zip Code and distributed at subway stations. Managers visited college campuses and local community centers and posted recruiting cards outside local supermarkets. An open house featuring free pizza and soda was held, and $50 and $100 bounties were paid to employees who brought in other employees. The total cost of the recruiting campaign, according to director of human resources Debra Saday, will be nearly $50,000. *—David Slater*

Restaurant computer use

With the proliferation of computers in our society, it is not surprising that restaurateurs are discovering that they have a variety of tableservice applications. At the top of the list comes accounting and bookkeeping, according to a National Restaurant Association survey. Also popular are inventory control, recipe costing, employee scheduling and food production forecasting.

In a recent survey, the National Restaurant Association asked 455 tableservice restaurateurs about the use of computers in their operations. Their answers showed that computer use is clearly more prevalent as the volume of annual sales increases.

The association survey found that less than one-third (32 percent) of the respondents with annual company sales below $500,000 used a computer in their operations. In comparison, 62 percent with annual company sales between $500,000 and $999,999 and 80 percent of those with annual revenues in excess of $1 million used a computer.

Respondents who used a computer in their operations were further asked to identify how that computer was being used. Survey results suggest that restaurateurs increase their use of certain computer applications as sales volume increases. In particular, the use of point-of-sale, labor/time/attendance and recipe-costing applications is much greater in restaurants with annual sales above $500,000.

Regardless of annual sales volume, the most popular computer application is accounting and bookkeeping—used by 75 percent or more of the respondents. Inventory control is the second most popular application, used by at least half of the respondents.

Other computer applications used by tableservice restaurant operators (in decreasing rank of overall usage) include recording point-of-sale (POS) information, maintaining labor/time/attendance records, costing recipes, purchasing, forecasting food production and scheduling employees.

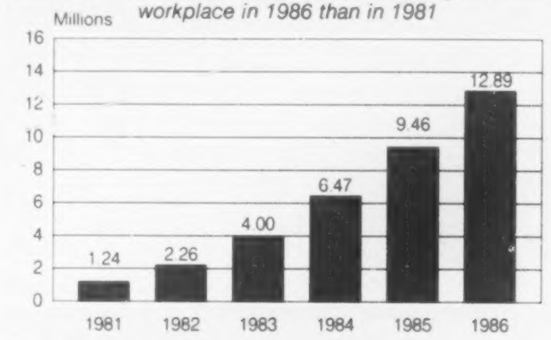
More sophisticated uses

Although the association's survey indicates that many restaurant operators are using computers for routine business functions, there are operations where multiple computers are linked to form a sophisticated network system. In addition, some operators are using restaurant-tailored software applications.

Some restaurants have integrated a computer system to process both front and back-of-the-house information. Instead of manually entering data on traffic and

Number of personal computers in use in the workplace*

There were 10 times as many computers being used in the workplace in 1986 than in 1981



**Excluding multi-user PCs*

Source: Future Computing, Inc., Dallas, TX

Viewpoint

The case for payroll software

Software programs are now available to handle your payroll needs. They can provide benefits over using outside payroll service bureaus.

With the advancements in PC technology, it's time to take another look at PC software. If you looked at software only two years ago, today's software for the PC is faster, more powerful, easier to use and has tremendous capabilities. Consequently, your PC can perform the same functions as the large mainframe computers used by service bureaus just a few years ago.

Recording and updating payroll information is a perfect application for a personal computer. It is usually more cost-effective to buy a payroll software program at a one-time cost than to pay a payroll service each time your employees are paid.

□ **Financial benefits.** If your restaurant employs 25 employees on average over the course of a week, your outside payroll expense will be close to $1,000 a year. Most bureaus charge a dollar per check for each employee, with additional charges for year-end W-2s. Over the course of a year, even for small restaurants, the costs can become quite expensive. As restaurants become larger, with 50 or more employees and with multi-unit operations, outside service bureaus can cost up to $5,000 per year or more.

Personal-computer payroll software programs, on the other hand, range from as low as $100 up to $5,000. As with all computers and software, the investment can be depreciated. And once the initial investment has been recorded, the amount saved on payroll processing can be de-

Computer use at tableservice restaurants by annual company sales volume

The use of computers and applications varies by sales volume

Percent* using computers for:	Under $500,000	$500,000-$1,000,000	Over $1,000,000
Total	32%	62%	80%
Accounting/bookkeeping	75	82	88
Inventory control	53	73	65
Point-of-sale data	38	60	67
Labor/time/attendance data	41	60	55
Recipe costing	25	40	51
Purchasing	31	40	39
Food-production forecasting	28	35	33
Employee scheduling	25	18	20

**based on restaurants using a computer*

Source: National Restaurant Association Tableservice Operator Survey, 1988

sales, these operations have tied their POS devices in to a computer in the back office. Thus order information is automatically transmitted to the computer, where the facts are stored and can be used to generate a variety of sales, inventory, employee and traffic reports. Some chains have gone a step further and tied individual-unit computers to a large corporate computer, so that all unit data can be easily reviewed at the corporate level.

voted to other functional areas or can go to your bottom line.

☐ **Timelines.** Often people use payroll service bureaus because they claim it is easier to simply call in the hours over the phone and have the checks delivered. But in the time it takes for the restaurant to calculate the total hours and call this information into the payroll service, the information can be entered in to your PC, the earnings and deductions can be calculated and the checks can be printed. For some multi-unit restaurants with more than 250 employees, payroll each week may take no longer than 2.5 hours.

☐ **Accuracy and control.** Along with faster payroll processing, a payroll software program often increases accuracy. With payroll services, miscommunication between the person calling in the information and the person receiving the information can result in errors in paychecks and problems with deposits. With an in-house payroll system, such errors are easy to correct.

A payroll system makes it easy to store and access information. Some PC software systems have the ability to store all earnings and deductions for each employee by week for multiple years. By accessing a report, you have the ability to retrieve the payroll history on an employee when you want to. This control aspect is critical if you need the payroll information for an employee's mortgage application or even a labor audit. If your restaurant is audited, you could simply download the information from the computer. All the information is literally at your fingertips when you need it—and most important—in a manner that is easy to understand because it has been coded by you.

☐ **Compliance with regulations.** Differences in labor regulations from state to state add to the variability in payroll processing. Moreover, your accountant may interpret the same regulation differently than would another. Consequently, your payroll system must be flexible enough to allow customization.

The federal government adds its own requirements. For example, if your business has more than 250 employees over the course of the year, you must submit W-2 information to the IRS on magnetic media. Failure to comply with this regulation will result in a fine of $50 per employee. If you are using an outside bureau, this service will probably cost an additional fee. Some PC restaurant payroll programs already comply with this regulation. With your PC, you can simply prompt the computer to create the W-2 floppy diskette.

☐ **Flexibility.** With a PC, you can calculate payroll when and where you would like without worrying about someone else's deadline. Today's PC software can handle the requirements of your restaurant payroll needs. After using the software for several months, most people are surprised at how easy processing their payroll in-house can be.

☐ **Confidentiality.** Finally, confidentiality is critical to payroll processing, but it need not be compromised just because payroll processing is done on an in-house personal computer. The key is to entrust the payroll-clerk position to only the most responsible individuals.

The most critical aspect of using PC payroll software is finding the correct software to meet your restaurant's needs. Before you even begin this search, check with your accountant to find out exactly what your needs are, especially concerning taxes and tips. Keep these needs in mind when you look at the different programs.

Make sure any program you buy is easy to use. Does it calculate your payroll quickly and efficiently on a weekly basis? The software program should make your life easier, so sitting down at your computer to do the payroll will not be a chore. And finally, before buying a program, check out the software company. How many restaurants are using its products? Are they satisfied with the program? Does it suit their needs? A reference check is always a good idea.

—Michael Oleksinski and William A. Oleksinski, ReStar Company, Bolton, Connecticut.

Computing in the workplace—then and now

Computers have evolved greatly since 1946, when the first electronic computer was built. When completed, it was so large that it occupied a 30 by 50-foot room. Today most computers can easily fit on a desktop.

With the more portable size and more affordable price, more people are using computers, including restaurateurs. According to Future Computing, Inc., a computers and communications information group in Dallas, the number of personal computers (PCs) sold in the United States increased sevenfold from 1.11 million units in 1981 to 7.81 million units in 1986. Furthermore, the number of single-user (used by one person) PCs rose from 2.12 million units in 1981 to 32.54 million units in 1986.

With approximately 40 percent of all PCs being used in the workplace, it is not surprising that the percentage of white-collar, service and farm workers who use a personal computer has also risen substantially and is projected to continue to rise. The percentage of these workers using PCs was estimated at 20 percent in 1984 but is projected to reach 45 percent this year, according to estimates by Future Computing, Inc.

Perhaps the most indicative estimate of computers' effect on the workforce is the number of workers per computer. The "share factor," as it is called, measures the number of workers using one PC unit. In 1984, Future Computing, Inc., estimated that 2.63 white-collar, service or farm workers used each PC. The estimated share factor for white-collar/service/farm workers in 1989 is 1.98 per PC. Projections for 1993 are a 1.52 share factor in the service industries or roughly two computers for every three workers. Consequently, it is becoming more and more likely that each worker in the white-collar, service or farm industries will use a personal computer at work.

In another adaptation, several computer systems allow waitstaff to transmit dining room orders straight to the kitchen or bar areas, where the order prints out automatically. This process saves time and prevents misreading handwritten orders. Some systems allow for specifics, such as how meat is to be cooked, what salad dressing should be used and if sauce should be served on the side rather than on the entree. Other systems can split checks for large parties that request separate receipts.

Many of today's restaurant operators are also using computer software that is tailored to fit their specific operational needs. For example, some pizza establishments use computers to track deliveries and keep records of repeat customers. Several software companies have developed computer programs that store the caller's address, previous orders and any additional delivery information to personalize service. Repeat orders can then be made quickly by simply having the customer call and order "the usual." Similarly, the software can note which delivery person filled each order, so that complaints about service can be traced to the responsible party.

—Nancy Michalski

Italian restaurant and pasta update

Long a favorite of most American diners, Italian food is hotter than ever in restaurants across the United States. Customer traffic at Italian restaurants was up significantly in both 1987 and 1988 and has seen a steady long-term gain since 1982.

Pasta, the nutritious and zesty dish that goes with almost anything, is continuing to win over customers. Traffic at Italian restaurants* rose 7 percent in 1988, following a 14 percent gain in 1987. This increase contrasts sharply with a sluggish 1988 for the restaurant industry, in which total traffic advanced only 0.5 percent. Overall, Italian-restaurant traffic jumped more than 50 percent between 1982 and 1988.

Upscale paces growth

Among Italian restaurants, upscale places led the way with a 10 percent traffic gain in 1988. Within the upscale Italian segment, higher-check establishments experienced an 18 percent jump in traffic while moderate-check eateries saw a 9 percent increase.

In addition to having higher customer counts, Italian restaurants are expanding their customer base. Household penetration was up across all three categories of Italian restaurants in 1988, with the upscale segment seeing the largest increase. The proportion of U.S. households where, during an average two-week period, at least one member dined out at a higher-check Italian restaurant gained 8 percent. Household penetration increased 6 percent at moderate-check, upscale Italian restaurants and rose 0.8 percent at midscale Italian eateries. This increase in penetration was aided by unit expansion.

Furthermore, customers are going to midscale and higher-check Italian restaurants more often. The frequency of household visits to these Italian operations rose while visit frequency at moderate-check Italian restaurants remained unchanged from 1987.

Takeout has been the driving force behind the growth of midscale Italian eateries, accounting for all the traffic gain in 1988. Off-premises traffic advanced 15 percent in 1988 while on-premises counts declined 2 percent. At midscale Italian establishments, the percentage of total eater occasions** represented by takeout rose from 37 percent to 41 per-

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**In this article the Italian restaurant segment includes midscale and upscale Italian restaurants as defined by CREST. In 1988, midscale Italian restaurants posted an average per-person check of $5.10, moderate-check upscale places averaged $7.32 and higher-check upscale establishments averaged $20.41.*

***An eater occasion is one meal or snack eaten by one person; a restaurant occasion is a transaction that includes one or more diners.*

Traffic growth at Italian restaurants, 1988

Traffic at Italian restaurants made a strong showing in 1988

	Percent change		
	Total traffic	**On-premises traffic**	**Off-premises traffic**
All Italian restaurants	7%	5%	13%
Midscale Italian restaurants	5	−2	15
Moderate-check upscale Italian restaurants	9	10	nc
Higher-check upscale Italian restaurants	18	16	na

nc = no change
na = not available

Source: NPD CREST, Annual Household Report, 1988

Per-capita pasta consumption

Americans are consuming more pasta than ever before

Year	**Mean annual per-capita consumption (lbs.)**
1981	13.0
1982	12.9
1983	13.8
1984	14.1
1985	14.7
1986	15.1
1987	16.3
1988	17.1

Source: National Pasta Asscciation

cent. In 1988, Italian restaurants had the highest ratio of takeout traffic to total traffic among all midscale concepts.

By comparison, in 1988 takeout at upscale Italian establishments was responsible for 11 percent of traffic at moderate-check operations and for 4 percent at higher-check establishments. In fact, on-premises dining became more fashionable within this segment, with traffic rising 10 percent at moderate-check Italian restaurants in 1988; off-premises traffic showed no change from 1987. On-premises traffic at higher-check establishments gained 16 percent in 1988.

Lunch surges

Lunch traffic at Italian restaurants surged during 1988. Overall traffic for the midday meal in this segment advanced 32 percent. Midscale lunch traffic rose 29 percent, and lunch traffic at both moderate and higher-check Italian restaurants jumped almost 40 percent.

Dinner attendance, however, did seem affected by consumers' shift toward eating Italian meals at noon: Dinner traffic dipped 1.5 percent in 1988. Midscale operations saw the largest decrease (5.2 percent) in dinner traffic, followed by a decrease of 1.1 percent at upscale moderate-check restaurants. But dinner traffic at higher-check Italian places continued to grow at a strong rate.

Despite recent inroads made by lunch, dinner remains the meal of choice for many Italian-restaurant goers. In 1988, dinner accounted for almost two-thirds of Italian restaurants' traffic, with the highest proportion of patronage occurring at higher-check establishments.

Favorite Italian foods

In 1988, spaghetti remained the pasta of choice, capturing 38 percent of total pasta orders. Other pasta dishes, which can include fettucini, linguini and tortellini among others, came close behind with 33 percent of pasta orders. Lasagna and ravioli (19 percent of pasta orders), and macaroni and cheese (14 percent) were other favorites.

The popularity of these various pastas was stronger within the upscale segment (51 percent of pasta orders) than in the midscale market (30 percent of pasta servings). Likewise, macaroni and cheese attracted more support in the midscale segment (20 percent of pasta orders) than in upscale establishments (1 percent of pasta orders).

Patronage by meal period, 1988

Dinner still attracts most Italian restaurant traffic

	Percent of eater occasions	
Italian restaurants	**Lunch**	**Dinner**
Midscale	33%	61%
Moderate-check upscale	28	69
Higher-check upscale	21	76

Source: NPD CREST, Annual Household Report, 1988

At other restaurants

An analysis of CREST*** data for 1988 shows that pasta is not consumed just at Italian restaurants. Varied-menu restaurants accounted for 24 percent of eater occasions in which pasta was consumed in 1988, while specialty restaurants accounted for 31 percent and Italian restaurants accounted for 25 percent. Cafeterias also attracted some interest from pasta diners, with an 8 percent share of total pasta eater occasions. Besides pasta, other popular dishes at Italian restaurants included heroes and subs, veal, pizza, main and side-dish salads, and breads.

Pasta at home

Pasta is also booming in the at-home market. According to *Progressive Grocer*, pasta sales at the nation's grocery stores rose 13 percent in 1987 to reach $1.3 billion. This figure follows smaller gains of 9 percent in 1986 and 6 percent in 1985.

In 1987, pasta items that experienced large increases in sales at grocery stores in-

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****CREST stands for Consumer Reports on Eating Share Trends, a diary survey conducted by one of the NPD marketing and research companies.*

cluded spaghetti dinners (up 29 percent), noodles (up 19 percent), noodle mixes (up 18 percent) and spaghetti (up 16 percent). Popular pasta buys for shoppers were noodles (a 23 percent share of grocery stores' pasta sales), followed by spaghetti (20 percent) and macaroni (17 percent). Within the pasta-dinners category, macaroni dominated, holding 57 percent of all pasta-dinner sales.

Some supermarkets are also entering the fresh-pasta business. *Progressive Grocer* reports that 6 percent of all supermarkets offered storemade pasta in 1987. These items were more prevalent at supermarket chains than at independent stores.

Who eats Italian?

Italian food has devoted followers among a variety of consumers and restaurant diners. According to National Restaurant Association research, Italian food is by far the best known, the most tried, the most frequently ordered and the most likely ethnic food to be tried again.

Results from the 1988 Gallup Youth Annual study show that Italian food has a strong following among the young. More than nine out of 10 teenagers (13 to 17 years old) say they have tried Italian food, and 45 percent list it as their favorite ethnic meal—the highest of all ethnic foods. Mexican finished a distant second, with 25 percent of teens mentioning it as their ethnic dish of choice.

Italian food has its strongest regional following in the East, with 96 percent of teens having tried it and 61 percent listing Italian as their favorite ethnic food.

By comparison, in the West, 33 percent of the teens responded that Italian was their preferred choice, which was second behind Mexican food. The West was the only U.S. region where Italian was not the most popular ethnic food among teenagers.

Italian food is also popular with middle-aged and elderly people. According to an association CREST survey, people over 45 years old showed an above-average propensity to order pasta at restaurants in 1986. However, 25 to 44-year-olds still accounted for the major portion of pasta orders (36 percent).

CREST data also indicate that the typical Italian-restaurantgoer is likely to have an annual household income in excess of $40,000, a college degree and a white-collar occupation and be a member of a dual-income household.

—Sebastian O'Kelly

Pasta facts

☐ U.S. annual per-capita consumption of pasta was estimated at 17.1 pounds in 1988—up from 16.3 in 1987.

☐ U.S. consumers ate 4.2 billion pounds of all types of pasta in 1988.

☐ U.S. annual per-capita consumption of pasta is projected to exceed 30 pounds by the year 2000.

☐ Nearly 3.5 million pounds of dry and packaged pasta were produced in the United States in 1988, up 6 percent from 1987.

☐ At 55 pounds per person, Italy had the highest per-capita consumption of pasta in the world in 1987, with Argentina a distant second at 26.4 pounds per person. The United States ranked ninth.

1988 unemployment rates for states, areas

This article provides data on unemployment for each of the 50 states, for the nine major census regions and for major U.S. metropolitan areas.

Restaurant owners who are having trouble finding employees should examine unemployment rates to determine how tight the labor market is in their areas. Many restaurant operators report that the labor shortage is most severe in regions where the unemployment rate is low.

The national civilian unemployment rate averaged 5.5 percent in 1988, down from 6.2 percent in 1987. It also fell in all nine census regions, but the rate varied dramatically from state to state and even within individual states. Wyoming recorded the largest drop in the jobless rate, from 8.6 percent to 6.3 percent. Only four states—Arizona, Georgia, Maryland and Massachusetts—saw an increase in unemployment rates.

Among census regions in 1988, the West South Central and Mountain areas reported the highest unemployment-rate decreases, each down one percentage point, to 7.8 percent and 6.2 percent, respectively. Rates decreased by nearly this magnitude in the East South Central, East North Central and West North Central divisions.

States with unemployment rates lower than the national average were concentrated on the East Coast and in the Central Plains. Fourteen states had unemployment rates under 4 percent in 1988, led by New Hampshire at 2.4 percent. In 1987, only 7 states reported rates below 4 percent.

By census region, New England held the lowest jobless rate (3.1 percent), followed by the Middle Atlantic (4.4 percent) and the West North Central (4.7 percent).

In 1988, states with higher-than-average unemployment rates tended to be heavily engaged in oil, gas or mineral extraction or were located in the highly industrialized parts of the

Unemployment rates by census region, 1987–1988

The unemployment rate declined across all nine regions

Region	1987	1988
West South Central	8.8%	7.8%
East South Central	8.0	7.1
East North Central	7.2	6.3
Mountain	7.2	6.2
Pacific	6.0	5.4
South Atlantic	5.1	4.8
West North Central	5.5	4.7
Mid-Atlantic	4.9	4.4
New England	3.3	3.1

Source: U.S. Bureau of Labor Statistics

State unemployment rates, 1987–1988

The unemployment rate declined or stayed the same in all but four states: Arizona, Georgia, Maryland and Massachusetts

	Unemployment rate	
State	**1987**	**1988**
Alabama	7.8%	7.2%
Alaska	10.8	9.3
Arizona	6.2	6.3
Arkansas	8.1	7.7
California	5.8	5.3
Colorado	7.7	6.4
Connecticut	3.3	3.0
Delaware	3.2	3.2
District of Columbia	6.3	5.0
Florida	5.3	5.0
Georgia	5.5	5.8
Hawaii	3.8	3.2
Idaho	8.0	5.8
Illinois	7.4	6.8
Indiana	6.4	5.3
Iowa	5.5	4.5
Kansas	4.9	4.8
Kentucky	8.8	7.9
Louisiana	12.0	10.9
Maine	4.4	3.8
Maryland	4.2	4.5
Massachusetts	3.2	3.3
Michigan	8.2	7.6
Minnesota	5.4	4.0
Mississippi	10.2	8.4
Missouri	6.3	5.7
Montana	7.4	6.8
Nebraska	4.9	3.6
Nevada	6.3	5.2
New Hampshire	2.5	2.4
New Jersey	4.0	3.8
New Mexico	8.9	7.8
New York	4.9	4.2
North Carolina	4.5	3.6
North Dakota	5.2	4.8
Ohio	7.0	6.0
Oklahoma	7.4	6.7
Oregon	6.2	5.8
Pennsylvania	5.7	5.1
Rhode Island	3.8	3.1
South Carolina	5.6	4.5
South Dakota	4.2	3.9
Tennessee	6.6	5.8
Texas	8.4	7.3
Utah	6.4	4.9
Vermont	3.6	2.8
Virginia	4.2	3.9
Washington	7.6	6.2
West Virginia	10.8	9.9
Wisconsin	6.1	4.3
Wyoming	8.6	6.3

Source: U.S. Bureau of Labor Statistics

Selected metropolitan area ranked by unemployment rates

Three cities had an unemployment rate greater than 8 percent: Louisville, New Orleans and Charleston

Metropolitan area	**Unemployment rate as of Dec. 1988**
Louisville, KY	9.5%
New Orleans, LA	8.7
Charleston, WV	8.3
Detroit, MI	6.9
Texarkana, TX	6.7
Peoria, IL	6.3
Tulsa, OK	6.1
Jackson, MS	5.8
Miami-Hialeah, FL	5.7
Birmingham, AL	5.6
Denver, CO	5.6
Chicago, IL	5.5
Houston, TX	5.4
Tucson, AZ	5.4
Albuquerque, NM	5.0
Pittsburgh, PA	4.6
Sioux Falls, SD	4.6
Columbus, OH	4.6
New York, NY	4.5
Atlanta, GA	4.4
Seattle, WA	4.3
Minneapolis–St. Paul, MN	3.8
Omaha, NE	3.8
Los Angeles–Long Beach, CA	3.6
Milwaukee, WI	3.4
Des Moines, IA	3.3
Columbia, SC	2.8
Honolulu, HI	2.8
San Francisco, CA	2.8
Boston, MA	2.5
Raleigh–Durham, NC	2.1
Portland, ME	1.8

Source: U.S. Bureau of Labor Statistics

Midwest. Four states had unemployment rates over 8 percent: Alaska, Louisiana, Mississippi and West Virginia. All four, however, had substantially lower rates than in 1987, when 11 states had rates above 8 percent. Louisiana (10.9 percent in 1988) continued to have the highest jobless rate.

How operators cope

Restaurant operators are dealing with the labor shortage in a variety of ways, including recruiting more agressively, upgrading working conditions, tapping new labor sources and improving wages and benefits. A 1988 National Restaurant Association Gallup survey revealed that 23 percent of restaurant managers expect to raise starting wages in the near future and a similar number plan to expand recruiting efforts. Twenty-one percent of managers say they will improve employee benefit packages.

In the East, the area where the labor shortage is most acute, 43 percent of restaurant managers have recently raised starting wages, compared to 26 percent in the South and 27 percent in the Midwest, two regions of the country where available labor is more abundant. A greater percentage of managers in the East than in the South or the Midwest say that they have recently improved benefits and expanded recruiting. *—Sebastian O'Kelly*

Foodservice Market Measure—Jan./Feb. 1989

After a slight decline in January 1989, the proportion of adults who were foodservice patrons on a typical day in February reached 51 percent—a significant increase. A seasonal decline in January was certainly not unexpected, but the relatively strong showing in February suggests that moderate weather and strong consumer confidence combined to make consumers more inclined to patronize foodservice establishments. In contrast to the June-to-January period, in which more than half of adult consumers did *not* patronize a foodservice outlet on a typical day, less than half or 48 percent stayed away in February 1989.

The February increase in patronage was most apparent at outlets offering takeout or delivery. After declining to 15 percent in January, the proportion of adults purchasing takeout food on a typical day in February climbed to 22 percent, registering the first significant increase since the Market Measure started in June 1988.

In contrast, on-premises patronage held relatively steady in February, as 31 percent of adults reported that they ate on the premises of a restaurant or other eating place. During the past nine months, on-premises patronage has ranged from 28 percent to 32 percent.

Takeout patronage

Dinner, which accounts for about 50 percent of off-premises patronage, reached its highest level in February, with 11 percent of adults reporting that they purchased a takeout dinner on a typical day, compared to a low of 7 percent in September 1988.

With off-premises patronage making an increasingly significant contribution to foodservice, it is worth taking a closer look at the demographic profile of takeout customers.

☐ **Age:** Younger consumers have a much greater propensity to purchase takeout food than older consumers do.

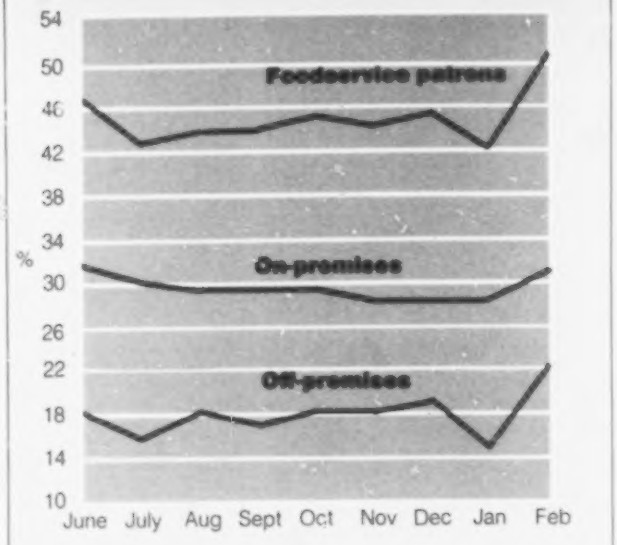
☐ **Women's employment:** Working women, whether they are employed part or full time, are more likely to purchase takeout than are those who do not work. Clearly the convenience factor comes into play here, but women who are not employed are far more likely to be older, so age may explain part of this difference as well.

☐ **Income:** It appears that takeout patronage is not as closely linked with income as is on-premises consumption.

☐ **Sex:** There was little difference in male and female takeout patronage in the winter.

—Susan Mills

Percent of adults who were foodservice patrons on a typical day, June 1988—February 1989



Source: National Restaurant Association Gallup Survey

Demographics of takeout patrons

	Summer 1988	Fall 1988	Winter 1988–1989
Sex			
Males	19.0%	20.0%	18.9%
Females	15.1	15.3	18.5
Age			
18 to 24 years old	25.7	30.4	29.4
25 to 34 years old	23.7	22.4	25.7
35 to 49 years old	20.1	20.1	19.8
50 to 64 years old	9.2	10.0	11.9
65 years old +	3.9	5.2	5.0
Annual income			
Less than $20,000	—	—	17.0
$20,000 to $29,999	—	—	19.7
$30,000 to $39,999	—	—	24.2
$40,000 +	—	—	18.8
Women's employment			
Full-time employment	20.9	20.2	22.9
Part-time employment	16.3	14.9	21.9
Not employed	8.5	10.7	12.9

Note: Summer—June, July, August; Fall—September, October, November; Winter—December, January, February. Different income breaks were used in summer and fall.

Source: National Restaurant Association Gallup Survey

Foodservice Market Measure

The Foodservice Market Measure is based on 1,000 telephone interviews, conducted by the Gallup Organization each month, with a nationally representative sample of adults age 18 and older. Each person is asked the same questions:

1. Which of the following did you do yesterday?

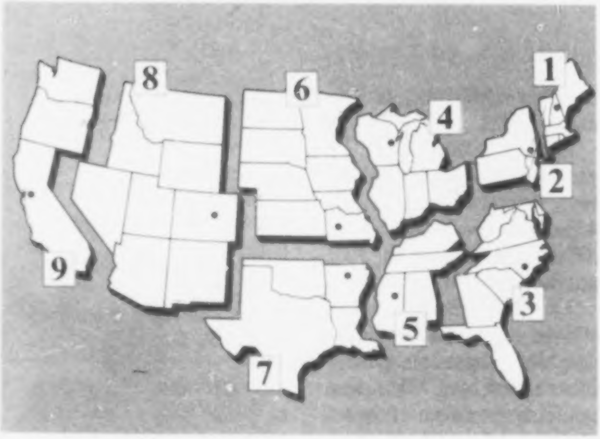
☐ Ate on the premises of a restaurant, fast food place, cafeteria or any other place where you purchased a meal or snack, or

☐ Purchased takeout food "to go" or had it delivered.

2. Was the food you ate on premises yesterday for breakfast, lunch, dinner or a snack?

3. Was the takeout food you purchased or had delivered for breakfast, lunch, dinner or a snack?

The monthly tracking of purchases is supplemented by quarterly inquiries on topics of industry interest, such as smoking versus no-smoking sections, tipping versus service charges, and nutritional concerns.



1 NEW ENGLAND

Location: Ashland, NH
Association members: Alex Ray, Paul Karinja
Operation: The Common Man
Profile: Midscale, fullservice restaurant
In business: 19 years
Seats: 150
Meals served: Lunch, dinner

"Business is great," says **Paul Karinja,** manager of The Common Man in Ashland, one of three New Hampshire restaurants by that name owned by Alex Ray's Grand American Dining. Located three miles from Squam Lake, the setting for "On Golden Pond," The Common Man attracts skiers on their way to the slopes in winter, leaf peepers in the fall and water sports enthusiasts in summer. Only mud season (between winter and summer) is a little slow, says Karinja.

Prime rib, slow cooked to make it extra juicy and tasty, and really fresh seafood are the signature items, but the main attraction is the atmosphere. Housed in a 200-year-old Colonial home, the dining room has kept the trappings of that era, including an antique cook stove that holds a bottomless bowl of simmering soup for help-yourself servings. The rustic-looking lounge is a converted barn where waiting customers relax in overstuffed chairs and amuse themselves with the player piano, a selection of board games or a book from Alex's library.

2 MID-ATLANTIC

Location: Yonkers, NY
Association members: Sam Kollias, Moura Robles
Operation: Argonaut Restaurant and Diner Inc.
Profile: Casual family restaurant
In business: 10 years
Seats: 150
Meals served: Breakfast, lunch, dinner

Named after the sailors of Greek legend who sailed with Jason to find the Golden Fleece, the Argonaut was designed by its European architects to look like a ship. Inside, white stucco walls, solid mahogany fittings and lighting designed to give a soft golden glow attract families at dinnertime and a younger crowd later in the evening. "It's a place where people want to meet," says owner **Sam Kollias** of his 24-hour-a-day restaurant located in wealthy Westchester County—where New York City ends and Upstate begins.

Kollias specializes in Italian dishes and those of his native Greece. His Hellenic specialties are *pastichio*—macaroni with chopped sirloin topped with a bechamel sauce, *moussaka*—layers of ground meat, eggplant, potatoes, tomato sauce and melted cheese, and *spanakopita*—spinach, feta cheese and scallions wrapped in flaky phyllo.

3 SOUTH ATLANTIC

Location: Fayetteville, NC
Association member: Frank Stout
Operation: Wellington's
Profile: Upscale hotel restaurant
In business: 15 years
Seats: 85
Meal served: Dinner

When Wellington's moved last December from the top floor of the Bordeaux Motor Inn to a more visible and accessible location at ground level, business increased 40 percent, says owner **Frank Stout.** The hotel is part of a convention facility, the largest of its kind in Southeast North Carolina, and business is best when a convention is in session. But the elegant decor of the restaurant, a menu specializing in Beef Wellington with Bananas Foster and Baked Alaska for dessert, plus music every night played on a baby grand piano, make Wellington's a special-occasion restaurant for the town people. The interior features Spanish tiles in the entry hall, marbleized columns, pickled rattan furniture and Villeroy Boch china in a design that matches the columns.

4 EAST NORTH CENTRAL

Location: Green Bay, WI
Association member: Richard Kroening
Operation: Eagles Nest
Profile: Waterside, fullservice restaurant
In business: 10 years
Seats: 150 plus 350 in banquet rooms
Meals served: Dinner

When Green Bay's famous Packers play at home, Eagles Nest can expect 60 percent of its business to be fans in town for the game. But the busiest season is summer, when the restaurant's waterside location makes it a prime location for boaters who tie up at the marina or for landlubbers who want to enjoy a view of the bay as they dine. Sixty percent of Eagles Nest's business is from banquets—mostly private parties given to celebrate special occasions like anniversaries and weddings. "Business has been up slightly," says **Richard Kroening,** president of Biz Mark, which owns the restaurant. The town itself has a healthy economy, thanks to its paper mills and paper-related industries.

The menu is tailored to the tastes of the area. "We're a meat-and-potatoes town," Kroening says.

5 EAST SOUTH CENTRAL

Location: Greenwood, MS
Association members: S. L. Sethi, Bill Powell, S. K. Desai, Ajay Joshi
Operation: Bumpers Drive-In of America, Inc.
Profile: Owner of 23 drive-ins
In business: 6 years
Seats: Stalls for 24 cars
Meal served: Lunch

The Bumpers Drive-In of America's two franchisees operate 30 Bumpers in Tennessee, Mississippi and Arkansas. All are in small towns, except for the three in Jackson, Mississippi's state capital.

The menu boards list hamburgers, chili dogs, coneys, homemade onion rings, ice-cream sundaes, milkshakes and Cajun-spiced french fries.

S.L. (Doc) Sethi, owner of the franchise company, says all his units are profitable except one. "Business has increased 5 to 12 percent year after year," he says, and maintains that management is the key to success.

6 WEST NORTH CENTRAL

Location: Branson, MO
Association members: Robert and Barbara Schmoll, Mike Bergus
Operation: Home Cannery
Profile: Buffet and fullservice dining
In business: 3 years
Seats: 130
Meals served: Breakfast, lunch, dinner

Branson, in the Ozark Mountains of Western Missouri, is a tourist town boasting three lakes; 20 country-and-western shows, a nearby theme park, Silver Dollar City; and craft shows that attract exhibitors and buyers from all over the country. Home Cannery is in the center of town, close to the music shows, making it a prime mealtime destination for tourists. Roast beef, ham, catfish, chicken, casseroles, vegetables and a salad bar are available from a buffet line or can be ordered from the menu.

"Business was good last year, and we expect to do even better this year," says co-owner **Robert Schmoll.**

7 WEST SOUTH CENTRAL

Location: Conway, AR
Association members: David Stobough, Scott Baily
Operation: Stoby's
Profile: Fullservice sandwiches, salads, desserts
In business: 9 years
Seats: 60
Meals served: Breakfast, lunch, dinner

The area around Conway, in the middle of Arkansas, is experiencing a boom. Union Pacific has transferred employees there from an Omaha plant, and small industries and three colleges contribute to the healthy economy. Stoby's, near one of the colleges, attributes a sizable chunk of its business to the students. "We've had phenomonal growth," says manager **Scott Baily.** "I don't see how we can handle any more than we have now."

Sandwiches are the restaurant's main attraction; the Stoby Sandwich offers a choice of three meats, two cheeses and five breads, including pita, something of a novelty in Arkansas.

8 MOUNTAIN

Location: Morrison, CO
Association members: Sam and Carrie Arnold, Ross Chandy
Operation: The Fort
Profile: Destination restaurant
In business: 26 years
Seats: 350
Meal served: Dinner

Owner **Sam Arnold's** love for and knowledge of history is reflected in The Fort, 18 miles southwest of Denver in the foothills of the Rockies. Not only does his restaurant, constructed of 80,000 adobe bricks weighing 40 pounds a piece, resemble an old fort of the fur-trader era, but the food he serves is also typical of that earlier time.

The Fort is the largest restaurant user of buffalo in the world, and is selling more and more of it every year. Arnold researched old recipes and prepares buffalo tongue and buffalo marrow (known as prairie butter) spread on herb bread for his customers. Another unusual dish is Great American Buffalo Eggs, pickled hard-boiled quail eggs served wtih low-fat buffalo sausage meat. The entrees are accompanied by breads baked by an 81-year-old woman who comes in to the restaurant three days a week. While guests eat, they are entertained by Arnold himself, who plays the musical saw and mandolin, or by a man dressed in mountainman costume who sings and tells stories.

—Julie Fintel

Region 9 Special

Catering to the Japanese guest

According to United States Travel and Tourism Administration (USTTA) statistics, some 3 million Japanese travelers visited the United States in 1988. That's a sizable chunk of potential business for the hospitality industry. Yet few operators have begun targeting this market.

Among the leaders in serving the Japanese guest is the 750-room Stouffer Concourse at the Los Angeles International Airport. Stouffer has created a program to attract the more than 1 million Japanese visitors who are expected to travel to Los Angeles in 1989.

Late last year, the hotel introduced "Japanese Guest Services," aimed at making the Japanese guest feel welcome. For example, the Charisma Cafe, its all-day restaurant, features an authentic Japanese breakfast because breakfast is a very important meal to the Japanese.

The breakfast menu is printed in both English and Japanese, and there is always a translator in the restaurant. The breakfast, also available through room service, starts with miso soup. It then moves on to salted baked fish or grilled butterfish, steamed rice topped with a raw egg, dried seaweed *(nori)* and pickled vegetables. On many days, you'll see as many chopsticks being used as forks.

The Stouffer program also includes room-service menus translated into Japanese. In the morning, a guest receives complimentary green tea, a Japanese newspaper *(shimbun)*, and a traditional bathrobe *(yukata)*. In addition, there is a Japanese-speaking concierge who personally greets Japanese travelers at the airport or at the hotel's front desk and explains the property's amenities, security systems and special services. The staff has been trained to help with transportation, check-in, currency exchange and interpretation services for meetings at the hotel or off-property.

More than 5,000 Japanese guests have utilized the program thus far. Stouffer has gotten the word out about Japanese Guest Services by direct advertising throughout Japan, contacting Japanese travel agencies, presenting videos at those travel agencies, making direct sales calls in Japan, giving presentations to Japanese corporations and by word-of-mouth recommendations.

—W. Lynn Seldon, Jr.

Paying ahead in Japan

An "anti-credit card" that allows you to pay now and enjoy later? It seems highly unlikely in a credit-happy country like the United States, but in Japan, where the people are noted for their diligence in saving money, "prepaid cards" are enjoying tremendous popularity.

The idea started with pay telephones that allowed customers to pay for their calls in advance. When the prepaid cards are inserted, the amount for the call is deducted, eliminating the need for coins. The fad-conscious Japanese embraced the cards with a fervor, printing them with Japanese scenes or singing stars, exchanging them as gifts or as business cards and even collecting them like baseball cards. Other companies have had the cards made, including McDonald's, which prints its cards with pictures of burgers and fries, and Baskin-Robbins, which features ice cream cones.

—The Los Angeles Times

Yam—not what I am

After years of answering the question "What is the difference between a yam and a sweet potato?" the North Carolina Yam Commission changed its name to the North Carolina Sweetpotato Commission.

The confusion between the two food products is understandable, because people have used the names interchangeably for years. But yams and sweetpotatoes have very little in common. The yam is a monocot (one growing point) tropical root, a native of Africa, whereas the sweetpotato is a dicot (multiple growing points) member of the morning-glory family and a native of South America. Sweetpotatoes have been grown in the United States in abundance, while yams are rarely cultivated here and have only recently seen an increase in importation.

The North Carolina Sweetpotato Commission is eager to settle the name controversy once and for all so that it can get down to the business of promoting its state's sweetpotato growers.

About the spelling. The United States Department of Agriculture designates sweetpotato as one word, so as not to confuse this singular product with white potatoes.

—North Carolina Sweetpotato Commission

Nice guys finish first

Maryland may become the "nicest" state in the union, if a new program does its job. The Maryland Department of Economic and Employment Development will spend more than $37,000 to teach private-sector employees to be nicer. The program, called "Hospitality Maryland Style," will provide a seven-and-one-half-hour "niceness" course through state community colleges.

The Bethesda, Maryland-based Marriott Corporation has kicked in $10,000 to nurture the program. Said Marriott Vice Chairman Richard Marriott, "You can give people a meal and you can give people a bed; but if you're nasty to them, they'll never come back."

—The Washington Post

It's not the law—yet

In an effort to avoid legislation mandating no-smoking sections, the Tobacco Institute has initiated a program with the Maryland Restaurant Association to encourage the voluntary setup of no-smoking sections in restaurants throughout the state.

The Tobacco Institute pledged $52,000 to the association to convince Maryland restaurateurs that no-smoking sections are good for business. The program will be modeled on a Baltimore County initiative that persuaded approximately 90 percent of the larger restaurants in that county to voluntarily create the smoke-free sections.

This type of program may spread to other parts of the country as the push for legislation to require designated no-smoking areas continues.

—The Washington Post

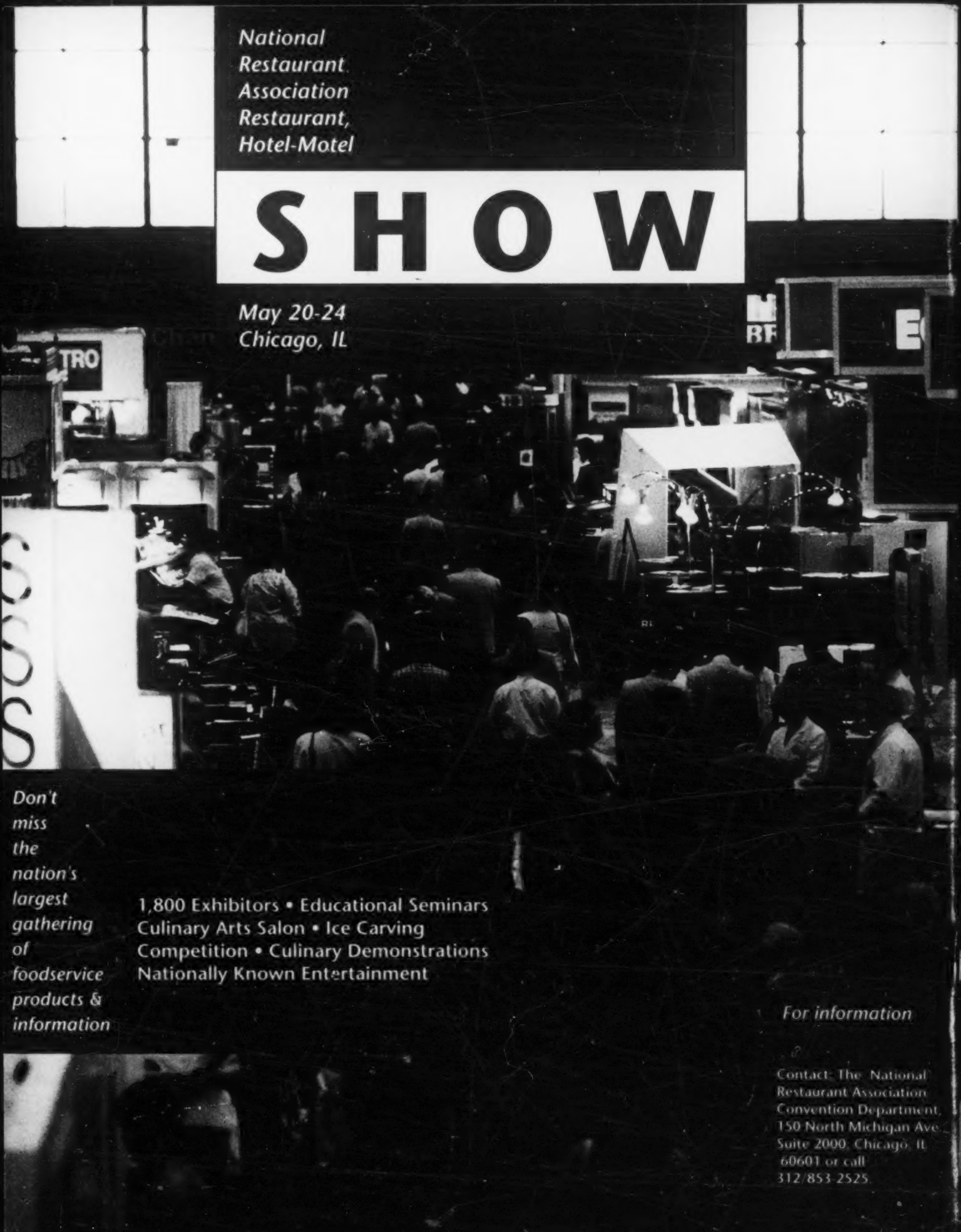
Spanky's dream sequins

Rock 'n' roll—or at least rock 'n' roll memorabilia—has found its place in Roanoke, Virginia. Spanky Macher, vice president of Spanky's-Macado's restaurants, now features two mannequins wearing British rock star Elton John's clothing. Macher took advantage of Elton John's recent $8.2-million "garage sale" at Sotheby's, London's premier auction house.

The Roanoke restaurateur spent $8,000 at the London auction. He emerged with four of John's coats and some original artwork used for two albums. The centerpiece of the collection is a white "Sgt. Pepper"-style sailor's jacket trimmed with velvet, with silver tubes snaking down from the shoulders. Price: $3,400.

Macher plans to spread his rock 'n' roll collection around all of his restaurants, and he has placed an ad in *Rolling Stone* magazine to find more rock 'n' roll goodies.

—The Washington Times



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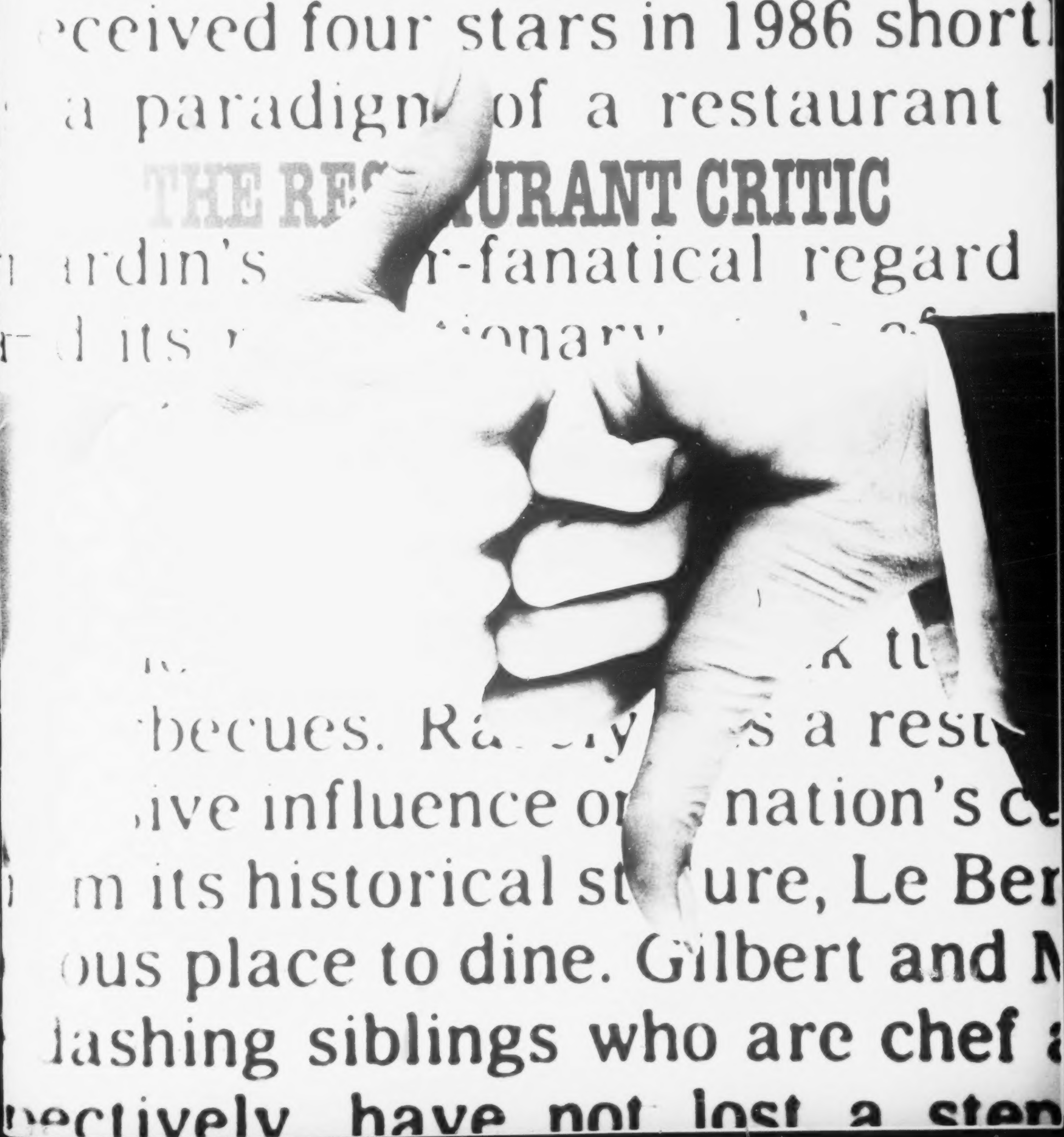
RESTAURANTSUSA



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ASSOCIATION MEETINGS

SEMINARS

Basic Foodservice Courses

Dining Room Management

5/29	Calgary, Alberta, Canada
5/30	Vancouver, BC, Canada
6/6	Cincinnati, OH
6/7	Louisville, KY
6/13	Atlantic City, NJ
6/20	Indianapolis, IN
6/22	Chicago, IL
7/19	Detroit, MI
7/24	Newark, NJ
7/25	Springfield, MA

Kitchen Management

5/16	Colorado Springs, CO
6/6	Harrisburg, PA
6/12	Chicago, IL
6/12	Los Angeles, CA
6/13	Burlingame, CA
6/27	Honolulu, HI

Foodservice Management Courses

Banquet Management

6/6	Minneapolis, MN
6/8	Cambridge, MA
6/14	Chicago, IL

Food Cost Management

6/6	Seattle, WA
6/7	Eugene, OR
6/15	Chicago, IL
6/27	Portland, ME

Off-Premises Catering

5/23-24	Miami, FL
6/6-7	San Francisco, CA

Planning Successful Buffets

6/12	Portland, OR
6/13	Seattle, WA
6/26	Chicago, IL
7/17	Pittsburgh, PA

Profitability

6/7	New Orleans, LA
6/8	Tampa, FL
6/19	Chicago, IL

Seminars Scheduled During Show

5/21	Banquet Management
5/21	Creating, Planning and Implementing Successful Buffets
5/21	Dining Room Management
5/21	Do it Yourself Public Relations
5/21	Food Cost Management
5/21	Hiring In a Tight Labor Market
5/21	Increasing Sales
5/21	Kitchen Management
5/21	Menus that Sell
5/21	Perfecting Your Culinary Skills
5/21	Profitability
5/21	Soups and Sauces

For information, contact:
Educational Foundation of the National Restaurant Association
250 South Wacker Drive
Chicago, IL 60606
(312) 715-1010 or 1-800-522-7578.

If your company is interested in our in-house programs, call or write to the attention of Jeff Harrison at the above address.

EXECUTIVE STUDY GROUP SERIES

Food Purchasing Managers
5/18–19 Chicago, IL

Marketing Executives
5/17–20 Chicago, IL

Multi-unit Architects, Engineers and Construction Officers (MAECO)
5/17–19 Chicago, IL

The Executive Study Groups present semi-annual professional development programs for executives who would like to meet with their industry peers to share ideas and concerns. Executives in each of the aforementioned disciplines from member foodservice companies are welcome and encouraged to participate.

For more information on specific study groups, contact: Philip Kralovec, (312) 853-2525.

National Restaurant Association Restaurant, Hotel-Motel

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PRESIDENT'S REPORT

Jim L. Peterson, President and Chief Executive Officer, Whataburger, Inc., Corpus Christi, TX

A proud farewell

This is my last report to you as president of your association. During my term, I have travelled extensively across the country. The people I've met have convinced me that foodservice is the most dynamic industry on the face of the earth. There is no limit to what our creativity can produce!

Our industry, however, still faces a number of problems, including solid waste, labor's legislative agenda and the need for new sources of employees. Your association is working hard on your behalf to solve these and other problems.

Minimum-wage battle continues

The minimum-wage battle continues. On April 17, the Senate passed a minimum-wage bill similar to one passed by the House in March. The bill, which over the next three years would raise the minimum wage from its current $3.35 an hour to $4.55—with an 85 percent training wage for new hires—is expected to be vetoed by President Bush. There is little chance for a congressional override of the veto. Although it looks as if an increase in the minimum wage has been put off for another year, the issue remains unsettled. Please inform your congressman and senators today of your feelings on the issue.

Mandated-health benefits? No.

The cost of mandated-health benefits legislation recently introduced by Sen. Ted Kennedy (D-MA) would be catastrophic to small businesses. The price of providing health benefits to all employees working 17½ hours or more per week would exceed the net profits of most restaurants.

I find it hard to believe that any responsible legislator would support legislation so destructive to the small-business sector. Your association believes something needs to be done about the 37 million uninsured Americans and the soaring costs of medical care, and we are looking for comprehensive legislation that tackles those problems. Sen. Kennedy's bill, however, is not what we need. Contact your senators to proclaim your dissatisfaction with Sen. Kennedy's bill S. 768.

Support grows for repeal of Section 89

Congressional support continues to grow for repeal of Section 89, a confusing law that requires employers to run tests to see whether benefit plans discriminate in favor of higher-paid workers. Speaking at the association's First-Thursday Breakfast, Rep. John LaFalce (D-NY) said he had trouble finding anyone on Capitol Hill who would even "own up" to supporting Section 89.

Rep. Dan Rostenkowski (D-IL), chairman of the House Ways and Means Committee, has proposed revising Section 89 to make it less confusing and easier to use. Although eliminating confusion is helpful, your association supports a repeal of Section 89 because it is bad legislation.

Strong public opposition to Section 89 will hasten its repeal. Please contact your legislators and urge them to work for a total repeal of Section 89.

Proceedings from Foodservice Employment 2000

The Foodservice Employment 2000 Symposium took place this past January in Washington DC and was an event that is capable of changing the way the foodservice industry views employee recruiting. The symposium covered alternative sources of foodservice employees and specifically programs designed to draw displaced homemakers, Blacks, Hispanics, the elderly and the physically and mentally handicapped to our industry.

A transcript of the proceedings of the Foodservice Employment 2000 symposium is now available through your association's publications department in Washington DC.

Solid-waste facts

Your association will be releasing a Current Issues Report on solid waste in mid-May. The report is designed to give the restaurateur a basic understanding of the problems in solid waste and their magnitude. The report will cover all aspects of disposal—from landfilling to recycling.

The solid-waste problem requires your attention. Because of the conspicuousness of foodservice wrappers, our industry is often blamed for the proliferation of solid waste this country faces. (The truth is, however, that foodservice wrappers account for only one-third of one percent of waste in our landfills.) Foodservice operators should be familiar with the solid-waste situation and speak out when the community debate on this topic begins.

The report will be mailed to you shortly.

1989 Show is here!

I look forward to seeing you at the National Restaurant Association Restaurant, Hotel/Motel Show in Chicago, May 20 through May 24. I hope you will join me and the more than 100,000 other attendees for this event, which will set the pace for the industry in the coming year. Former President Ronald Reagan will deliver the opening address, and the foodservice industry is honored to have him in attendance.

Welcome new members

Last month, 138 new members joined your association. We welcome you among our ranks and assure you that your participation in our programs will strengthen both your own businesses and the industry as a whole.

Sincerely,

Jim L. Peterson

Jim L. Peterson
President and Chairman of the Board

COVER STORY: THUMBS UP OR THUMBS DOWN—RESTAURANT CRITICS SPEAK OUT

12 Just the two words—restaurant critic—can cause a restaurateur's heart to skip a few beats. But respectable restaurant reviewers are not out to destroy businesses—they take their jobs seriously and strive to be fair. In this article, well-known critics share their philosophies and methods of reviewing a restaurant.

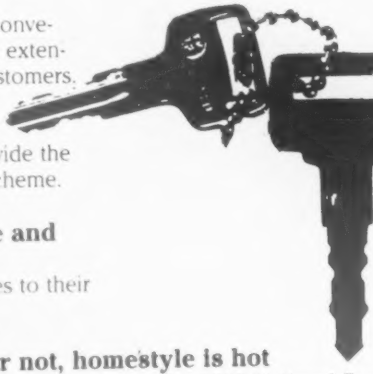
SPECIALS

17 Turn complaints into gold
Your most important reviewers are your customers. You may not want to hear their complaints (and in fact, only one out of three customers who have a complaint will tell you about it), but your customers' critical comments can lead to very positive results.

18 Behavior-based interviewing
With the labor market being as tight as it is, the pressure to hire the right people is more intense than ever before. Here are some solid interviewing techniques to help you examine an applicant's qualities.

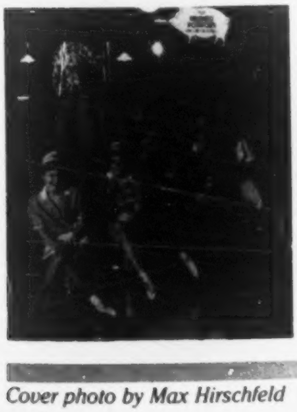
18 Hiring for personality
Is there a secret to hiring the right service-oriented people to work in your restaurant? According to one successful restaurateur, the secret is finding people who will offer the "gift of friendship."

21 Valet parking—is it for you?
Valet parking can be a boon to business, a convenience your competitor doesn't offer and an extension of the red-carpet treatment you give customers.



24 Ahhh . . . glorious heights
Look up for inspiration. The ceiling can provide the focal point for a restaurant's entire design scheme.

26 Museum restaurants—where palette and palate meet
Museum restaurants are adding artful touches to their menus to attract the business-lunch crowd.



28 Updated or not, homestyle is hot
Judging from the winners of the 1989 National Restaurant Association Great Menu Contest, "retro" is in. Nostalgic menus—and the food items they feature—convey a comfortable sense of familiarity.

33 So your senior wants to go to a hotel and restaurant school
Career opportunities in the ever-expanding service sector continue to lure students into university hotel and restaurant management programs. Here are some pointers if you are helping a senior choose the right school.

Cover photo by Max Hirschfeld

DEPARTMENTS

6 Short Orders
☐ INFO '89 offers "Service Survival Kit"
☐ Wine-festival auction raises more than $45,000
☐ New coalition to educate consumers about wine
☐ Food pros fight fat
☐ Restaurateurs to help launch Tourism Week May 14-20
☐ Taste—Mimi Sheraton style

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☐ Getting no respect
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☐ Gator gold

Monterey Wine Festival auction raises more than $45,000

National Restaurant Association Director and Monterey Wine Festival Chairman Dick Cregar was the highest bidder at the fourth annual Monterey Wine Festival Auction, which raised more than $45,000 for scholarships to further viticultural studies. Above, Cregar proudly displays his purchase, an 18-liter reserve Cabernet Sauvignon from J. Lohr Winery, which went for $1,600.

More than 1,000 foodservice operators, viticultural experts and wine buffs attended this year's festival, held March 12–14 in Monterey, CA. Attendees sampled some 800 California wines during the two-and-a-half-day event.

INFO '89 examines service

Photo courtesy of Nation's Restaurant News

Independent operators from across the country gathered in Monterey in March to examine the pressing issue of the 1990s—service. Attendees shared some of their ideas and expertise in a case study of a troubled restaurant. Here, Fortunaldo Evangelista of La Hacienda, New York; Thomas Kershaw, association director and owner of Hampshire House, Boston; and Jim Sands of Boss Tweed, Bellingham, Washington, are hard at work.

Food pros fight fat

They came from New Orleans, Chicago, New York, Houston and Denver. Chefs, cookbook authors, food writers, reporters and nutritionists gathered for 24 hours in Palo Alto, California, for a brainstorming session. The objective: to promote lower-fat eating habits among Americans, specifically by encouraging them to cook with less fat. And who is better qualified to lead the change than premier chefs who are pioneering lower-fat cooking concepts in restaurant kitchens, reasoned the Kaiser Family Foundation, a philanthropic organization headquartered in Palo Alto that has a long-term commitment to improving the health and well-being of Americans. The foundation is promoting the education campaign called Project LEAN (Low-fat Eating for America Now).

In addition to encouraging Americans to eat less fat, Project LEAN hopes to increase the availability and accessibility of low-fat food in both restaurants and supermarkets.

Recipe development was the primary purpose of the California winter meeting. The chefs and cookbook authors were charged with developing recipes geared to the home cook. The recipes will be featured in *Better Homes and Gardens* magazine and will be printed in a brochure for consumers.

Three working groups were formed: one for fish, poultry, soups, sauces and hors d'oeuvres; one for combination dishes, vegetarian dishes, dairy products and dressings; and one for desserts, cakes and pastry. After exchanging ideas within their groups, the participants chose assignments based on their interests and expertise. They recommended the reduction rather than total elimination of most high-fat ingredients and the dissociation of low-fat foods from the diet-food image.

Taste is a prime concern for chefs when modifying the fat content of their recipes. Emeril Lagasse, of Commander's Palace in New Orleans, said he relies on a Creole spice blend, which contains no salt, to intensify the flavor of his "Creole light" dishes. Kelly Mills, chef de cuisine at the Four Seasons Clift Hotel in San Francisco, uses seasonal and regional ingredients in the hotel's "alternate cuisine." And Madeleine Kamman, now at Beringer Vineyards, has found cornstarch-thickened broth or buttermilk powder combined with a small amount of olive oil to be acceptable substitutes for butter on vegetables, while oat bran plus a small dab of butter adds that missing slip to low-fat watercress soup.

The longer low-fat cooking techniques are practiced, the easier it gets to use them, reported Tom Ney, executive chef of Rodale Food Center in Emmaus, Pennsylvania. "I'm at a point where I develop a recipe on the computer before I go to the kitchen. This way I get the nutritional analysis and make changes accordingly before I create the dish," explained Mark Erickson, CMC, director of culinary education at the Culinary Institute of America in Hyde Park, New York.

The participants agreed that the time is right to incorporate more nutritious selections into restaurant menus. The restaurateurs in the group emphasized the need to market low-fat menu items. "Marketing is essential. You need to add sizzle and give low-fat menu items as much creativity, *Makes: 1 dozen muffins*

Ingredients:
- ¾ cup oat bran
- ¾ cup whole-wheat flour
- ¾ cup lightly packed brown sugar
- 1 ½ tspn. cinnamon
- 1 tspn. baking powder
- 1 tspn. baking soda
- 1 cup golden raisins
- 1 cup mashed or canned cooked pumpkin
- 2 eggs, slightly beaten
- 3 Tbs. vegetable oil
- ⅔ cup buttermilk

Method:
Heat oven to 400° F. Prepare muffin pan with paper liners or nonstick spray. Set aside.

In a large bowl, combine oat bran, flour, sugar, cinnamon, baking powder, baking soda and raisins. Mix thoroughly.

In a large measuring cup, combine pumpkin, eggs, oil and buttermilk.

Add liquid to dry ingredients all at once. Stir with a fork until combined. Do not overmix.

Spoon into prepared pan. Bake for 25 minutes or until firm to touch.

Nutritional analysis per muffin:
185 calories; 5 grams of fat; percent calories/fat: 24 percent

—Courtesy of Cafe Quadrus and the Kaiser Family Foundation

quality and variety as the regular items," warned Lagasse.

The chefs will meet again in the fall at *Better Homes & Gardens*, where they will produce their creations at the Project LEAN cooking challenge. In an early 1990 issue, the magazine will produce a major food story featuring some of the recipes and the cooking professionals who created them.

—Claire Regan, R.D.

Restaurateurs help launch Tourism Week, May 14-20

When the National Travel and Tourism Council launches National Tourism Week at its annual luncheon on May 5 in Washington DC, the restaurant industry will be there. Key House and Senate staffers who attend the luncheon will be treated to a "Sweet Taste of America"—signature items donated by the Vermont Sugar House (South Royalton, VT), Mr. B's (New Orleans), Virginia Diner (Wakefield, VA), Mrs. O'Day's Delightful Cookies (Gaithersburg, MD) and Dollie's (Rehoboth, DE). One lucky luncheon guest will be treated to a dinner for two at Haussner's in Baltimore, Maryland.

The purpose of National Tourism Week is to spread the word about tourism's importance to the nation's economy.

Sweet Taste of America

New coalition to educate consumers about wine

The surge in Neo-Puritanism—the social movement that would usher in a more austere and restrictive lifestyle—may be dampening wine sales, industry analysts reported during a Winemakers of California meeting in Washington in April. Reform-minded individuals and organizations are grouping wine and other alcoholic beverages with substance abuse on the one hand and with smoking on the other, thereby tarnishing the image of this age-old beverage.

That is one reason why California winemakers believe it is time to launch The National Wine Coalition—"an organization of winemakers, industry allies and wine consumers dedicated to preserving wine's social and cultural values, and retaining the privilege to act as responsible adults in the selection, purchase and moderate consumption of this traditional beverage without undue restriction."

"This project is bigger than just California," says Wine Institute President John De Luca, whose organization is funding the coalition. "Anyone who has any stake in the wine industry or who just enjoys wine with their meals, has something to gain from the coalition. We're going to broadcast the story of wine's contributions to culture and society. With the plethora of warning labels, signs and unsubstantiated claims made by an assortment of reform-minded organizations, the consumer has a right to know the values and pleasures of wine when used intelligently and in *moderation*." (Studies show that wine is drunk primarily with meals and during celebrations.)

Although the coalition will focus primarily on public education and promotion, it may also be involved in selected lobbying. It will be headquartered in New York, with offices in Washington DC. For information, contact the coalition at 568 Broadway, New York, NY 10012; (212) 925-2280.

Taste, Mimi Sheraton-style

No issue on restaurant critics would be complete without mention of Mimi Sheraton. As Thomas John Kelly so aptly wrote in *The Cornell Quarterly* last May, she is "the nation's most famous (some restaurateurs would prefer infamous) restaurant critic."

Former restaurant critic for *The New York Times* and currently food writer for *Time* and food editor and critic for the *Conde Nast Traveler*, Sheraton is making quite a splash in the restaurant community with her newsletter—*Mimi Sheraton's Taste*.

Although the newsletter focuses primarily on the New York restaurant, food and hotel scene, it does include out-of-town reviews in its "Beyond New York" column, as well as random tidbits from the world of food called "morsels." Despite its regional concentration, *Mimi Sheraton's Taste* has become a benchmark for many in the industry because of its forthright and intelligent reporting and comprehensive reviews.

Each of the last 15 issues has been at least eight pages long and has contained five to seven indepth restaurant reviews. The newsletter is published 10 times a year. Cost: $48 a year; $79 for two years. For more information, write P.O. Box 1396, Old Chelsea Station, New York, NY 10011.

Restaurants USA interview

Bob Kerrey: Restaurateur in the Senate

Senator Bob Kerrey (D-NE) is the first member of the National Restaurant Association to serve in the U.S. Senate. Kerrey is a co-owner of Grandmother's Restaurants, a company that began in 1973 with one unit in Omaha. Today there are six flourishing units in Omaha and Lincoln, which employ more than 600 workers. Kerrey takes a no-nonsense approach to getting things done. A moderate Democrat who served a highly successful term as governor of Nebraska from 1982 to 1986, he is widely acknowledged as a rising young star of the U.S. Senate.

Senator Bob Kerrey: at home on the Hill and in his Nebraska restaurants.

***Restaurants USA:* How has your background as a restaurateur prepared you for politics?**

Kerrey: The two professions have a lot in common. Both are competitive and public-oriented. You get an immediate round of applause or boos for the way you do the job.

Most important, my experience in restaurants gives me a "policy foundation." Everyone comes into politics with a foundation of experience that gives them a point of view, a sense of the "right" way to do things.

A lot of my ideas were shaped by my experience building our first restaurant. We went from acquiring the land to taking out permits to getting the land rezoned to dealing with inspectors. We got to know the labor department, the liquor-control department, the fire marshal and all the health and environmental people. I found out the hard way that the restaurant industry is heavily regulated and involves a lot of contact with government.

***RUSA:* What is your position on the issue of raising the minimum wage?**

Kerrey: I think the minimum wage ought to go up. However, I would be a strong opponent of any future indexing of the wage, and I think the Kennedy bill, which would take the wage to $4.65, pushes the rate too high. Everyone understands that if the minimum wage goes to $4.65, inflation will rise.

But we're crazy to try to defend $3.35. The pressure on the minimum wage is a consequence of not having adjusted it for eight years. $3.35 an hour means $6,900 in annual income for a full-time worker. This puts pressure on both [adult] members of a family to work and creates extra problems. Businesses argue for the marketplace to take care of things, but the reality is that the marketplace does not do this.

I think small business needs to come in and say $3.35 is too low. If we wait longer than eight years, at some point you'll just get people out there who will force something on us.

***RUSA:* How about parental leave?**

Kerrey: I would not mind a parental-leave bill that provided a generous exemption for small businesses. I don't like the part of the bill that allows medical leave for workers, because the threshold for eligibility is just too low. There's a lot of potential for mischief there.

With parental leave, it's a clear deal. You've got the baby to prove you need the leave. With medical conditions, "time off" requests could cover a bad back, a bum knee, some time off to look for a new job and other things.

***RUSA:* What can restaurant operators do to avoid a mandate?**

Kerrey: The bills to require parental leave or employer-provided health insurance are a response to changes in our society. I think they would be unnecessary if we worked together to respond to these changes.

Small businesses must participate with more confidence in solving problems, rather than simply opposing them and reacting negatively to proposals that others are making.

We need to let people know we are paying the highest health insurance rates around. They need to know that high health costs, training costs and absentee costs are a great risk to the small-business person. It's a bigger concern to us than to anyone else.

Health care is eating us alive. We're cutting way back on benefits to hold costs where they are, but we've got a responsibility to our employees to figure out how to help those who are medically indigent. For these people, a single medical incident could cause impoverishment. This is one of the things I will spend time on in the Senate.

***RUSA:* Do you agree that there is a role for the federal government in guiding the business community—at least with some incentives?**

Kerrey: I'd rather have the business community guide the federal government, not the other way around—especially when it comes to small businesses. We know what small businesses oppose, but I think it's their role to come forward with innovative proposals that can benefit them.

I do not mean to imply that restaurants or small-business people are reactionary. But particularly on such items as the cost of health care or capital, small businesses ought to take a very aggressive, affirmative stance. When it comes to the cost of capital, we are the ones who are going to get clobbered by high interest rates. The big guys aren't. The nation's high rate of borrowing means that eventually we'll take a hit.

***RUSA:* Do you foresee any further attempts to cut the business-meal deduction to raise money?**

Kerrey: Yes, I do—because it's not necessarily what people would define as a "tax increase." Some still think of it as a loophole. You've got a friend in me on that issue.

***RUSA:* What about tip compliance? Congress doesn't define that as a tax increase either, and IRS feels it is getting only about half of what it should.**

Kerrey: I think Congress and the IRS should feel they're getting enough compliance on tip taxes. I don't think we need another couple hundred thousand pounds of paperwork to figure out how to get every last nickel and dime out of people who are getting tips. If you're going to do that, you ought to begin with trying to get taxes on *all* extra income—not just on tips in restaurants.

***RUSA:* What do you think the industry's image is on Capitol Hill?**

Kerrey: I think it's excellent. As individuals, restaurateurs have a lot of strength. Part of this is simply that they have so much practical experience with regulation. For a legislator, there is nothing like talking to a person who actually writes the checks, hires the workers and deals with all kinds of other people.

Restaurateurs should trust their instincts on the substance of issues. What knocks people out is when someone comes into a congressional office and says: "I'm worried about my employees. They are uninsured, and we've got to do something about it." Or "Here's why I think mandated benefits stink." Or "I'm worried about the caliber of kids coming in to apply for jobs. I'm worried about our schools and I want to help improve education."

There's also a romantic element to restaurants. Almost everyone has had some sort of special experience in a restaurant. There's a magic there that gives the owner-operator of a restaurant some influence.

I think the industry's importance is fairly well understood. Still, it's worth explaining time and time again how a typical restaurant will hire someone who starts off as a busboy and ends up as president. That's very, very positive. ❏

DC ROUNDUP

☐ **Veto expected on minimum-wage legislation.** Defying President Bush's veto promise, both chambers of Congress have signed off on legislation to raise the minimum wage to $4.55 an hour by October 1, 1991, and to establish a 60-day training wage for new job-holders. President Bush has vowed to veto any bill that goes higher than $4.25 and does not contain a six-month training wage for all new hires.

Pro-wage-hike forces in Congress are likely to fall short of the votes they would need to override a veto, thus sending the issue back to square one. Most observers agree that Democrats will not wait long before trying again to get another bill to the President.

☐ **Minimum-health-insurance proposal reintroduced.** Sen. Ted Kennedy (D-MA) and Rep. Henry Waxman (D-CA) have reintroduced legislation that would require all employers to offer health benefits to most employees who work more than 17½ hours a week and to their dependents.

Under S. 768 and H.R. 1835, introduced April 12, employers would be required to offer a health-insurance plan that covers a wide range of medical services and that caps family deductibles at $500 yearly and individual deductibles at $250. In most cases, emloyers would be responsible for covering 80 percent of the premium costs. Hearings have not yet been scheduled.

☐ **Senate labor panel okays mandated-leave bill.** The Senate Labor and Human Resources Committee voted 10 to 6 on April 19 to require businesses with 20 or more employees to grant workers up to 10 weeks of parental leave every two years, as well as 13 weeks of annual medical leave for employees with serious illnesses. Under S. 345, employers would also be required to continue health-insurance coverage for employees on leave.

The committee's vote is a green light to House Democrats, who have been reluctant to schedule a House floor vote on the legislation without a guarantee that senators are also willing to take action.

☐ **Rostenkowski proposes simplifying Section 89.** Under intense pressure from the hundreds of U.S. representatives who are urging outright repeal of Section 89 requirements, House Ways and Means Committee Chairman Dan Rostenkowski (D-IL) introduced a bill in April to completely revamp and simplify the cumbersome employee-benefits law. Section 89, which requires employers to run a series of complicated tests on benefit plans to see if the plans discriminate in favor of higher-paid workers, has come under heavy fire for the burdens it imposes on employers, especially small businesses. ❏

—Denise Roach

FEEDBACK

Kudos

Dear Editor:

Your story on the natural science of keeping chefs was terrific and was a clear indication of the extraordinary improvement of the magazine.

Congratulations and best wishes.

—George Lang
The George Lang Corporation
New York, NY

I really enjoyed your piece "Holding Onto Your Chef" in ***Restaurants USA.*** It's nice to know that there are many other professionals who want to take good care of their chefs.

—Clark Wolf
New York, NY

It's Show time!

It's Show time! Once again we await the arrival of May to take our annual trek to the Windy City to enjoy another restaurant show. Each year we see new and interesting things and buy several items to help us become a better operation or save on our labor costs. Some of the new items are winners—some have proven not so good.

Last year was a particularly good year for us. The first and most important thing we did was to become a member of the National Restaurant Association. We joined at the membership booth.

The very first mailing we received from the association gave us some leads for a grandparents' day promotion. We not only did it for grandparents' day, but we also made a grandparents' week promo. We ran a full-page ad in the local paper, giving all grandparents dinners at prices even some of them were too young to remember (shrimp, $2.95; New York strip steak, $2.95; fish, $1.95; and lobster, $4.95).

We had a drawing for a Bahamas cruise for two and had more than 2,500 entries in the drawing book—this gave us a great mailing list. We served more than 1,000 grandparents a day during the promo. To prove they were grandparents, they had to show us a picture of their grandchildren.

One of the new pieces of equipment we bought at last year's Show was a conveyor oven (we love it and are doing an average of 1,200 broiled seafood entrees per day). Being an all-you-can-eat house, sometimes we serve four to six plates for one dinner. We purchased an energy-saving pot-and-pan washer, too. We use it to wash our serving trays (it's already paid for itself in labor saved).

We also bought a ware washer. Absolutely every restaurant needs this piece of equipment! Dinnerware is sparkling clean—spotless with such ease and great speed. It's also more than paid for itself in time-savings while giving us the cleanest flatware possible.

And we bought an electric donut hole machine. Folks, we used to have one fry cook who did nothing but squeeze out corn fritters with an ice cream dipper. We bought the dippers by the case because we wore them out so fast (each customer gets a basket of fritters—an average day for us is 4,000 to 5,000 fritters!). That poor guy developed "fritter hand"—a numbing sensation all the way up the arm to the shoulder. We had to rotate the job.

Now we fill two fry vats in less than two minutes, and my cooks fight to get on that line. This machine paid for itself in the first two months, in production time and labor savings.

—Rodney S. Thompson
President/Owner
Dixie Crossroads, Inc.
Titusville, FL

Domino's delivers security information

We read your publication with great interest and wanted to pass along a couple of items for your information:

(1) We read the article headlined "How Am I Doing, Boss?" by Joan E. Herlong. Related to the subject, we at Domino's Pizza use a system called "Job Performance and Review" or "JP&R." Each corporate employee does a JP&R with his or her supervisor.

(2) We at Domino's Pizza spend much time and money on pizza-store security. Recently, we published a special edition of our in-house newspaper, *The Pepperoni Press*, on security. Since security is a subject important to many fast food companies, we are making this publication available to any National Restaurant Association member, free for the asking.

Once again, we enjoy your publication; keep up the good work!

—Ronald A. Hingst,
National Director of Public Relations, Domino's Pizza, Inc., Ann Arbor, MI

More on training, please

As the new director of training for a regional contract foodservice company, I am using your magazine as an important resource in our training efforts. The format and content are most helpful to many people on staff who want to keep abreast of the latest market information.

Yet, as a professional training manager who is new to the foodservice industry, I am surprised by the paucity of printed information/material on training topics. It would seem appropriate that an industry that is so strongly impacted by demographic surges and lack of trained, experienced manpower would also have multiple forums for exchanging ideas-techniques-suggestions on the specific topic of employee education and training. Have I overlooked resources? Is your magazine considering a regular column to address this timely topic?

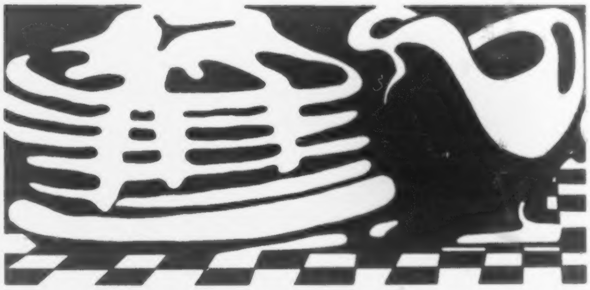
I look forward to your response and in the interim will continue to use the many other benefits available in ***Restaurants USA.***

—Robert W. Soter
Director of Training
The Wood Company
Allentown, PA

Editor's note: *Look for an article on training as part of our "Year of the Employee" series.*

South Royalton, VT

Sweet treats from New England



At the Vermont Sugar House, a 40-seat home-style restaurant in South Royalton, Vermont, things are a little busier than usual every March and April. Sure, the restaurant continues to serve its hearty New England breakfasts, with stacks of buttermilk pancakes that—according to co-owner Bruce Morse—"roll over the edge of the plate and make you wonder where you're going to put the syrup." But in "sugar season," the owners and staff are also busy collecting sap and producing the syrup that will dress the pancakes and form the basis for an assortment of signature products—from fudge to maple cream—a spread for toast.

"There's something special that happens when you roll real maple syrup around your mouth," says Morse, whose "sugarbushes" produce around 1,500 gallons of syrup each year (a fraction of his supply). "Your taste buds wake up. Like wine, pure maple syrup has a bouquet that fills the mouth." And as a substitute for cooking sweeteners, maple syrup's uses are virtually unlimited, especially on the dessert menu. In addition to a nationally known maple pecan pie, after-dinner choices include maple yogurt, maple sundaes and maple milkshakes.

—David Slater

Detroit, MI

Cutting attrition with tuition

In Detroit, the owner of two Burger King franchises is finding that college really is a worthwhile investment. By paying employees' college tuition, Herb Schervirsh says he has dramatically lowered turnover, tardiness and absenteeism.

Schervirsh began his program two years ago, when he paid $10,000 up front for employees' tuition and other costs at a local community college. Since then, the program has been fine-tuned with the help of a third-party administrator, which has reduced Schervirsh's costs.

Schervirsh pays 100 percent of the tuition for those who qualify for the program. Employees who work 20 hours each week, for example, are allowed to take two courses per semester. By limiting the number of classes offered, Schervirsh hopes to teach students both "how to go to school and how to work."

Researchers at California State University-Fullerton who have studied Schervirsh's program determined that his workers who are attending college showed a 58 percent turnover rate, versus a 240 percent turnover rate for the other workers.

Orlando, FL

Traveling light

Guests at the Radisson Plaza Hotel in Orlando, Florida, are traveling lighter these days, thanks to a new selection of healthy dishes on the menus at the hotel's coffee shop and formal dining room.

"It's a common complaint that it's hard to stay in shape while on the road," says general manager Alfred Matter. "So to help out calorie-conscious business travelers, we added several low-fat, low-calorie, low-sodium and low-cholesterol dishes to our breakfast, lunch and dinner menus." The dishes were developed by food and beverage director Henri Haber with the help of a dietitian at Orlando Regional Medical Center.

Because a list of the calories, saturated fat, cholesterol and sodium content for each dish is printed on the menu, guests on special diets can easily keep track of what they are eating.

But the new menu item with perhaps the best waist-trimming potential, says Haber, is the *"better than cheesecake"* dessert, a nondairy item that has no cholesterol and no butterfat.

Minneapolis, MN

When half is better than the whole

With its pickled white-oak furnishings, carpeted dining room and tables set with linen napkins and green Spanish glassware, Patti's Restaurant & Bar, located in the Minneapolis suburb of Golden Valley, has a decor that reflects comfort and relaxation. However, the showpiece of the seven-month-old restaurant is the large (approximately 1,800 square feet) pastel painting on the 30-foot-high ceiling of the dining room. The predominantly blue-green seascape seems only half there; it stops at a jagged line, and then the ceiling drops a foot. The effect suggests archaeologists had chipped away a plain plaster ceiling to reveal the painting underneath. "We tell our customers that someday we will push back the crack to let them see the rest of the ceiling," jokes owner Patti Soskin.

The crack motif was deliberate and not an attempt to cover up a mistake in construction. The motif appears throughout the restaurant. The bar has a similar bi-level ceiling, but no painting; and the bar floor has a crack inlaid with copper. A full-color photograph of the ceiling adorns Patti's menu, business cards and other printed material.

When local artist Leon Hushcha finished the ceiling, he gathered the restaurant's staff and spent an hour-and-a-half fielding questions, so that they in turn could answer customers' questions about the design.

—Julie Fintel

THUMBS UP

Restaurant Critics Take the Floor

by Gary Stern

When one character in Samuel Beckett's play "Waiting for Godot" is spewing out denunciations at another, he finally levels him with the worst possible invective: critic. To some restaurateurs, especially those whose restaurants have been zapped by a piercing review, critics may be the scourge of the earth. But savvy restaurateurs have learned that restaurant reviews can generate business, by spawning word-of-mouth recommendations for their establishments, by calling attention to and raising the reputation of their chefs, by pointing out their restaurants' unusual dishes and appealing decor, and by distinguishing them from their many competitors.

It finally happened. I nearly lost my long-suffering dining-out companion to a young opera singer, a mezzo-soprano with a lilting, nuance-filled voice and an off-the-shoulder peasant blouse.

We were eating pasta, indifferent but nicely served, at the new Bella Voce restaurant, where the Brasserie used to be, in the basement of the Fairmont Hotel. Music was expanding all around us—from a grand piano and a troupe of opera-singing waiters and waitresses who were holding forth all over the dining room in duets, trios and solos. One of our servers was the comely Christine Lloyd, who sang so movingly right into my dining companion's eyes, that he dropped his fork and cried. You never know what will happen in restaurants these days . . . .

—Patricia Unterman

But what goes on inside the mind of a restaurant critic? What do restaurant reviewers look for? How do they judge restaurants? And what advice do restaurant critics have for restaurant owners? ***Restaurants USA*** interviewed the restaurant critics of the *New York Times, Los Angeles Times, San Francisco Chronicle, Washington Post,* and *USA Today,* as well as syndicated food critics, to present an insider's perspective on these topics.

No ready-made checklist

Not surprisingly, the restaurant critics said there is no simplistic checklist on which they rely. Every restaurant must be judged on its own terms, says Phyllis Richman, restaurant critic for the *Washington Post.* "I wouldn't review a mass-production, low-price restaurant in the same way that I would review a high-priced, elegant, specialty restaurant," she points out.

. . . As you expect at noisy, densely packed Italian restaurants, the prices are low, the portions are large and the food is at least okay. Some of it is far better than okay, and a couple of dishes are worth the trip from other neighborhoods . . .

Taking into consideration the prices—$6 tops for appetizers, most pastas around $5 and main dishes mostly $7 to $10—even the mediocre dishes are good values. But you need not settle for mediocrity. Among the appetizers, sauteed mushrooms is a platterful of earthiness in a haze of garlic. The sliced fresh mushrooms are well browned and simply wonderful. White beans, cooked with onions, are no less excellent, but beans have fewer fans than mushrooms . . . .

—Phyllis Richman

The *Los Angeles Times* restaurant editor and critic Ruth Reichl agrees, stating that "Haute cuisine restaurants can't be judged by the same standards as a hot-dog stand. You judge a restaurant on its own pretensions."

John Mariani, who for the last dozen years has been a food writer, reviews regularly for *USA Today* and writes *Esquire's* "50 Best Restaurants Across America" feature annually, says, "It goes without saying that things should be fresh; but many, many chefs make a big deal of using fresh ingredients, which to me is just the definition of cooking. Beyond that, whether it's fried chicken, steak, the most complex Italian sauce or Indian curry, the main ingredient, the taste, has to come through."

If you are anywhere near Chicago and feel in the mood for blowing out all the stops and dining as lavishly as any nobleman of the *ancien regime*, make the 40-minute drive to suburban Wheeling, settle yourself behind a banquette at Le Francais and try not to gape as the extravagant dishes pass before your eyes—terrines and pates and mousses of exceptional richness, a galette of crab with mustard sauce, lobster au gratin with sauce Nantua and basil, tenderly cooked red snapper in an herbed beurre blanc, rare squab and sweetbreads in vividly reduced pan juices, sorbets the color of purple velvet and desserts set in fragile layers of puff pastry decorated with spun sugar . . . .

—John Mariani

Patricia Unterman of the *San Francisco Chronicle*, one of the only restaurant critics nationwide who is also a restaurateur,* says she bases her reviews on the food's freshness, the quality of ingredients, the preparation style, the meal's aesthetics (how it looks on the plate) and, last, creativity.

While critics concentrate primarily on the quality of the food in their reviews, they are the first to acknowledge that more and more readers dine out for reasons other than food. When friends or readers call Reichl at the *Los Angeles Times* to ask where to dine out for a celebration or an evening out, "The food is almost always the last thing mentioned," she says. In Los Angeles, many people dine out every night, so location, pricing and how long the meal takes play pivotal roles in choosing a restaurant. Her reviews consider all of these factors.

A star system

While all critics acknowledge the subjectivity of their reviews, some of them try to objectivize their reviews by creating a star system, somewhat like the *Michelin Guide's* approach. Bryan Miller, the *New York Times'* restaurant critic, says critic Craig Claiborne developed the star system—from zero to four stars—in the 1960s. Eighty percent of the review is based on the food's quality, and the other 20 percent breaks down into ambience and service. "By nature, we're critics, so we're not objective," Miller acknowledges. The stars, he suggests, are intended as a visual clue at the top of the review that can help readers grasp the review's essence. The stars force the critic to get to the point: Did you like the restaurant or not? Miller notes that "The stars are the most difficult and agonizing part of my job, because they're very important."

Reichl, at the *Los Angeles Times*, rejects using any version of the star system. "I hate that because I think it's pretending that there's some kind of really objective criteria for restaurants, and there isn't. It's a very subjective experience; it changes from visit to visit," she says. How can you assign stars and easily compare reviewing simple Italian food, elegant French food, Cajun food, Tex-Mex food, Indian food, etc.?", she asks.

Acknowledging that restaurant reviewing is a highly subjective art, critics Michael and Jane Stern, syndicated columnists and *New Yorker* writers, ask themselves one basic question after they leave a restaurant: Do we leave the restaurant feeling good? "Contained in that simplistic answer," Michael Stern says, "is a whole galaxy of elements, the food being only one element." The Sterns, who cover restaurants throughout the United States and who have much more latitude than a newspaper critic who covers only one city or area, are most interested in discovering restaurants where the food captures the feeling of a region or area.

"Maybe I need glasses," said the Reluctant Gourmet. "I'm sure I must need glasses. I'd swear that it says, right here on the menu, that a dish of ice cream costs $12."

"It does," I said. The Reluctant Gourmet winced. He looked around the gilded garden, with its modern art, its flowers, its *koi* (carp) swimming merrily around. He looked up, past the tall heaters, beyond the tented top, to the moon hanging in the sky. He sipped his Evian. "I wonder how much this water costs," he murmured to himself.

I was to happy to enlighten him. "Ten dollars a bottle . . . ."

—Ruth Reichl

One question often posed to a restaurant critic is, "What is the difference between a three-star and a four-star restaurant?" Indeed, it is a fine distinction. A succinct explanation would be: a three-star establishment must excel; a four-star must excel *and* inspire. Le Bernardin, the all-seafood restaurant that received four stars in 1986 shortly after it opened, is a paradigm of a restaurant that does both.

Le Bernardin's near-fanatical regard for fresh seafood and its revolutionary style of preparation—at least in this country—have been emulated from coast to coast. Even home chefs, who for generations followed the credo "cook fish until it flakes," are now serving rare-pink tuna steaks at backyard barbecues. Rarely has a restaurant had such a pervasive influence on a nation's cuisine . . . .

—Bryan Miller

Mary Mac's is a model of modern eat-and-run efficiency that serves some of the best old-fangled Southern cooking in the state of Georgia. It is one of two restaurants we know where you can get the Dixie soul soup called pot likker, a virile spruce-green brew dredged from the bottom of the pot after greens are cooked with a cracked hambone. Pot likker is strong stuff: a brew to make you feel like Popeye the Sailor.

With hot corn muffins on the side (pot likker is always served with cornbread), a bowl of Mary Mac's pot likker is practically a health-food meal in itself. But we'd recommend you get only a cup. There are about 20 other great dishes on Mary Mac's menu that deserve a try . . . .

—Michael and Jane Stern

THUMBS DOWN

THUMBS UP

Service: a key influence

The quality of the restaurant's service influences every critic's review. Reichl, who has written a cookbook, owned the Swallow restaurant in Berkeley and served as restaurant critic for *New West* magazine, looks for service that "is unobtrusive and that anticipates your every need. If you're very aware of the service, it's not good. The waiter should not give you any suggestions unless you ask for them. The last thing I want to hear is: 'Oh, good choice.' "

No matter whether the restaurant has garnered four-stars or is a little hole-in-the-wall, Unterman expects waiters to understand the menu and the food and exactly what the kitchen is making that night. She'd like to see waiters who are "helpful, enthusiastic and not intrusive."

Design: a factor

Diners often choose a restaurant not only for its food but also because of its ambience and design. Bryan Miller says, "Restaurants have taken on a quasi-entertainment role for social and business functions, and to some extent, a social-status function. People want to know if it's comfortable." That is why his reviews describe the decor and setting.

. . . That Le Cirque is the most glamorous and electrifying setting in New York goes without saying. Not the room particularly, a brightly lighted, tightly cramped rococo den with its zany monkey murals and peculiar bouquet sconces that could have come from the suburban lawn-and-garden center. Le Cirque's unparalleled spirit springs from the staff and customers who fill it. On any evening the celebrity scorecard overflows. There may be Lee Iacocca holding court over a veal chop, Paul Bocuse and Roger Verge sampling everything on the menu, the King of Spain and his retinue marveling at the wine list, Mick Jagger trying to look comfortable—and all, amazingly, appearing inconspicuous among the glittering colony of habitues . . . .

—Bryan Miller

Critics are also paying more and more attention to a restaurant's noise level, which Miller says has become his readers' number-one complaint. Although many restaurants in New York City seem to think din is synonymous with joie de vivre and liveliness, he suggests that "noise can ruin a dining experience." Usually he will describe the noise level in a review, but noise rarely affects a restaurant's star ratings.

Miller is not alone. Reviewers from coast to coast know that how a restaurant looks—and feels—is important to today's diners. And they almost always include this information in their reviews.

. . . Walk in the door and you can hardly stop yourself from saying, "What a charming room." And it keeps on being charming—past the slinky, inviting bar; past the banquettes covered in beautiful fabric; and on into the dining room with its large windows, patterned rug and beamed ceiling.

Go up the stairs, where there's a room with a fireplace and an outside terrace, and the charm is unabated. With its low lights and wall sculptures, it is all terribly, terribly tasteful—and just a little bit anonymous. It's like the pictures of rich people's houses that you see in shelter magazines: You can't help feeling that in his heart the decorator really believes that the presence of people ruins his rooms . . . .

—Ruth Reichl

At least one critic, however, thinks too much attention is paid to a restaurant's design. Mariani compares the restaurant critic to the Broadway theater critic. Audiences flock to musicals these days for the special effects, while the critics search for the hummable song, the believable characters, the melody. Similarly, he says restaurant critics are in search of the perfect meal, not the perfect banister, chandelier or banquette.

. . . Provencal cuisine grows out of the same climate and casual approach to living as does California cuisine, but [Jean-Pierre] Bosc's cooking strongly shows how contrived a lot of California cooking has become in recent years and how badly a correction of taste was needed. His food is as flavorful as its ingredients are ripe, sweet, and luxuriant, from the cold vegetable, fennel and basil soup called pistou to the zucchini flowers with eggplant, mushrooms, tomatoes, olives and basil sauce. His presentations of dishes like crabmeat-and-vegetable salad are sensible yet beautiful, while his minute steak with black olives and mashed potatoes or squab with cabbage shows that good taste always triumphs over mere novelty. There is some daring here, too—though fresh salmon layered over salmon eggs and onions was a tad strong. And his desserts are all knockouts, especially the hot chocolate tart with pistachio sauce—unequivocally the best sweet I've had all year.

Though rather flat in decor, Fennel has all the spice it needs, right on its menu. And it puts into perspective many of the eccentricities of California cuisine.

—John Mariani

Why and how they do it

In analyzing the food and sizing up the service, critics are trying to guide the consumer. "We are trying to inform the consumer of what he is likely to find" and what he can obtain for his money, says the *Washington Post's* Phyllis Richman. She adds that restaurant critics perform in many other significant roles, such as educating the consumer about food, educating the restaurateur, being an advocate for the art of cooking and restaurateuring.

. . . Bistro Bistro is a benchmark of the emerging American restaurant (actually, it's more fun than that sounds). Caraluzzi has a history of figuring out what diners—particularly young diners—want and giving a little better. Here he has done that once again, providing:

Luxury with a touch of fun: **Bistro Bistro is a wide-open space lavished with arches and painted in soft colors. Stretching for probably half a block is a mural with details from the Sistine Chapel ceiling interspersed with bacchanalian touches. Indirect lighting creates a rosy glow, and a second mural draws attention to the pastry case filled with creamy, sugary baubles.**

Sophistication without having to dress up fpr it: **Bistro Bistro looks as if no budget restrained its creation. But lest this all seem too grand, waiters are in shirtsleeves, and around the room are baskets of paper tablecloths to freshly cover tables as they turn over, the way real bistros do. Diners here would feel as appropriate sipping a Kendall-Jackson cabernet (at bargain prices) and eating a T-bone steak (also modestly priced) in jeans as they would in a three-piece suit . . . .**

—Phyllis Richman

Patricia Unterman takes a more sociological approach in her reviews. Every restaurant, she says, has its own story to unfold about the people who go there, the way the restaurant developed, how the restaurant fits into the city's ethos and how the owner came to open it. She tries to incorporate this information into her review.

. . . We've come a long way from the modest little noodle house and Cantonese/American restaurants of Chinatown in just three years. Major restaurants from Hong Kong have opened lavish branches on the Peninsula, in the East Bay and in San Francisco. Their menus are huge, their kitchens are able to turn out complicated banquet food as well as home-style cooking; their service is fast but attentive; their dining rooms are bustling and noisy, but also clean and comfortable.

Restaurants of this scale and accomplishment reflect the demands of the larger, more affluent Chinese community in the Bay area. But I think the Hong Kong owners also are after an ever-growing clientele of nonAsians who are cultivating palates for more exotic cuisines. Wu Kong, like Yank Sing and Harbor Village, has chosen a location that draws on the cultural mix of the Financial District during the day, but it has to bring diners downtown at night . . . .

—Patricia Unterman

Most restaurant critics will base their main review, on two to four visits. Critics pay for their own meals, try to maintain anonymity by not making reservations in their own names, use credit cards with several names and often dine with parties of four to six people to taste as many dishes as possible.

Restaurant critics have varied approaches to how they decide on which eatery to spotlight. The *Washington Post's* Richman, for example, is influenced to review a restaurant by several factors, including hearing about restaurants from her regional critics, driving around and spotting a new restaurant, spotting ads in newspapers and magazines and reading press releases.

Handwritten notes from restaurateurs that explain their eatery's reason-for-being will get attention from some critics. A menu that looks out-of-the ordinary can spark attention as well. And some critics follow a chef from one restaurant to the next.

. . . The only truly elegant restaurant to open this season was Champagne, a superlative dining room owned by chef Patrick Healy and his wife Sophie. I'd last eaten Healy's food at Colette in the Beverly Pavillion Hotel and am very happy to see him alight in his own place.

. . . He's got a terrific palate and his dishes are well thought through and not in the least trendy . . . .

—John Mariani

THUMBS UP

Michael Stern relies on readers' tips. How else would the Sterns have heard about Gladys Breeden's cafe in Sevierville, Tennessee, which happens to be located directly in Ms. Breeden's kitchen?

Pet peeves

Having reviewed hundreds of restaurants over the years, each critic has his or her own pet peeve about what restaurateurs should avoid. Don't be tacky by offering the critic a free bottle of wine or offering to rip up the check, says Reichl. "We have expense accounts. It's embarrassing when they do that."

Critic Bryan Miller asks that servers not ask diners whether they want fresh pepper or cheese on their dishes. "How do we know if we haven't tasted the dish yet?" he wonders. "If the dish requires pepper, why didn't the chef add it himself?"

Miller thinks that many restaurants have menus that overextend their kitchens. "The American attitude," he points out, "is people need 13 or 14 entrees, when the kitchens can barely put out six different ones. I'd rather see six good dishes than a dozen mediocre ones."

"Be honest" is the main advice of Phyllis Richman. Recently she dined in a restaurant that publicized its fresh hearts of palm and homemade caviar, neither of which lived up to the promise.

> **. . . So up-to-date is this new Italian restaurant that the menu lists "Risotto of the hour." But when I asked the waiter what that risotto was, he answered, "Rice." That about sums up [the restaurant]. It promises risotto, it serves rice . . . .**
>
> ***—Phyllis Richman***

"Avoid pretentious service," admonishes Michael Stern. What is it about the town and its food that makes it unique is the question he'd like a restaurateur to answer. He'd like the food served, the music on the jukebox and the accent of the waiter/waitress all to reflect the region. He is most vexed by restaurants that try too hard to be something they're not. A recent trip to a New York City restaurant where the waiters wore cowboy boots and jeans and spoke with affected phony accents, and where he was served "lousy" fried chicken and "watery" mashed potatoes, made him lose his patience.

Mariani urges restaurateurs "to avoid the pitfalls of trendiness." Blackened redfish and California pizza with goat cheese may be trendy for a while, but the restaurant will probably not manage to finish out a three-year lease. Fads come and go as quickly in restaurants as they do in fashion, he says.

> **. . . The food at Pazzia is not just *close* to the best you'll find in trattorias in Italy; it is *exactly* what you recall from your favorite restaurants in Florence, Milan and Rome, and the food has the precise flavors you thought could never be reproduced this side of the Atlantic. Mauro [Vincenti] loves nothing better than trying to educate his clientele, who seem to have no problem lapping up an old traditional dish like *pappa al pomodoro*—a reduction of cooked tomatoes, olive oil, bread and basil—or a bowl of pappardelle with rabbit and porcini mushrooms . . .**
>
> ***—John Mariani***

Mariani is also irritated by restaurants that always give the best tables to smokers and shove nonsmokers into back tables near the kitchen. "Restaurateurs underestimate the opposition to smokers," he says. Last, he advises against oral recitations. By the time a server has informed diners of three soups, two appetizers and six entrees, the customer has forgotten the dishes. Printing the evening's specials and inserting them inside the menu is preferable, he suggests.

Although the interviewed critics said that they've written their share of reviews of "bad" restaurants, most derive pleasure from discovering that out-of-the-way restaurant that nobody knows about that is serving unusual and tasty food. ┘

> **. . . Eddie's is the mythical great undiscovered hole-in-the-wall. In fact, when you finally find Law Street and locate 2119, you will be sure it is mythical. Where is everybody?**
>
> **Look closely. There's the sign: Eddie's: Home of New Orleans Cooking. Yes, Eddie's is real. There is nothing more real than the red beans and rice Eddie makes—each bean a small pillow of creamy silk sitting atop the rice, which is fluffy enough to absorb the soulful garlicky flavor of this perfectly seasoned dish. New Orleanians make a big deal out of red beans and rice, a passion out-of-towners find difficult to fathom. Eddie's version turns skeptics into believers . . . .**
>
> ***—Jane and Michael Stern***

**Patricia Unterman, of the* San Francisco Chronicle, *has managed to avoid conflict of interest during her decade as reviewer by refusing to review any restaurant in the immediate area of the Civic Center where her successful seafood restaurant Hayes Street Grill is located; and she won't review seafood restaurants anywhere in San Francisco.*

Gary Stern is a freelance writer in New York City.

THUMBS DOWN

BEST AVAILABLE COPY

TURN COMPLAINTS INTO GOLD

Nobody wants him. Everybody tries to avoid or ignore him. Yet he is one of your most valuable customers. Who is he? He's the dreaded complainer—the customer most restaurateurs don't want to hear from. Or do they?

by William D. Stevens

People don't like to complain. In fact, only one out of three customers who have a complaint will tell you about it. That's why you will almost always get a "fine" response to the obligatory, "Is everything all right?"

But complaints can be valuable. A few years ago a White House Study of Consumer Affairs uncovered some interesting facts about complaints.

☐ Customers who take the time to complain are more likely to come back again, even if the problem wasn't resolved satisfactorily.

☐ Of those who take the time to complain, 54 to 70 percent will come back again if their complaints are resolved. That jumps to a staggering 95 percent if the complaint was resolved quickly.

☐ The average customer who has a complaint tells nine or 10 people that the food or service was lousy. Thirteen percent will tell 20 or more.

☐ Customers who have had complaints satisfactorily resolved tell an average of five other people, many of them prospective customers, about the great treatment they received.

That's priceless free advertising. Let me illustrate. A few summers ago I was driving through a small town on my way to a consulting appointment. I stopped for lunch at a restaurant I had never been to before. I ordered a sausage sandwich. The sausage came cooked—but only on the outside.

I asked the waitress to have the sandwich cooked a little longer. She came back, and the sandwich was just fine. Now if that were all that had happened, I would have eaten my now fully cooked sandwich and been on my way and would probably have tried another restaurant the next time I was in town.

But that's not all that happened. Right behind her was the restaurant manager, carrying a small sundae, covered with chocolate and topped with whipped cream, nuts and a cherry. He set it down in front of me and sat down in the booth opposite me.

Then he said: "You know, we're pretty proud of our little restaurant, but sometimes we make mistakes. This sundae is our way of saying we care and want you to come back again."

He had me. I can assure you, any time I am in Kewaskum, Wisconsin, I stop at the Homeplate Restaurant. It's the only place I go for lunch. Not only that, but anybody who has heard me speak in Wisconsin knows about the Homeplate Restaurant.

They turned my complaint into solid gold. That sundae probably cost the owner 50 cents, but his return on investment was many times that.

Here is how you can turn complaints into gold.

1. Never argue, defend or explain. Think of a time when you were upset and frustrated about a product or service you purchased. You called to complain, and the first response you got was an argument. Your "upset temperature" probably went right through the roof, and you vowed never again to do business with that company as long as you lived.

2. Listen. Think of what would have happened when you had a complaint if instead of arguing or explaining, the other person had just listened. It's really kind of disarming. What about your "upset temperature" now? Apply your experience to your complaining customers. If pure silence bothers you, try "OK," "I see," "hmmmm," and "ah ha." All work well. Just be sure to focus all your attention on understanding what your guest is telling you. The information he or she shares will be invaluable.

3. Ask, "Would you mind if I took notes?" That question will reinforce in your customer's mind, a picture of you focusing all of your energy on understanding his or her complaint. It will also help you keep a record of the complaint for your complaint record book.

4. Summarize your understanding of the complaint in your own words. When it sounds as though the customer is done, summarize your understanding of what was said. Don't add. Don't subtract. Just check to make sure what you heard is what was said.

5. Ask, "What would you like us (me) to do?" Don't make the mistake of telling the customer what you are willing to do. About 80 percent of the time the customer will ask for less than what you would be willing to give. What complainers really want is understanding and reassurance that it won't happen again; and—most important—they want to know that you care.

Don't worry about being taken advantage of. Experience has shown that if you first hear the customer out without interrupting, few customers try to take advantage of you by asking for something unreasonable.

6. Do what the customer asks you to do, regardless of the short-term cost. Even if you feel the customer's request is not 100 percent justified, give a refund if a customer wants one. Bring him or her another meal if that's what was asked for. It could be one of the best investments you will ever make.

Do you need more customers complaining?

Being just good enough isn't good enough anymore. Make sure the customer is fully satisfied—nay, thrilled and delighted. Remember: It's not smiling at customers that will get them to come back, it's making sure they smile on the way out.

Do you need more customers complaining to you? You bet you do!

Bill Stevens is director of the Center for Management Excellence in Greenfield, Wisconsin. He is a trainer, consultant, speaker and researcher on fast food company leadership, staff building and customer satisfaction.

GETTING THEM TO TALK

Behavior-based Interviewing

by Monnie Ryan

Max Karl Winkler

It's every manager's dream: The candidate you've selected has just the right blend of productivity and personal pizzazz. You're happy; your new employee is happy. It's a mutually satisfying relationship that continues for a long time. Too often, however, the dream is a nightmare. Instead of finding a perfect match, you have hired an employee who just doesn't measure up. Probably sooner than later, you part company.

How, then, can you improve your interviewing techniques to ensure that the next person hired is the best for the job?

Start by reviewing the written job description. Then, get input from supervisors, co-workers and subordinates. If possible, try to actually observe an employee who is doing well at a similar position and analyze why he or she is good at the job.

Three target areas

After you have a working knowledge of the vacant position, sit down and develop a list of (1) technical qualifications, (2) personality characteristics and (3) job-culture requirements.

For example, some company environments are highly structured and require employees to follow specific duties. Not all prospective employees perform well in that type of atmosphere.

The next—and most important—step is the preparation of interview questions. Always prepare questions in advance of the interview; "winging it" isn't appropriate for two reasons. First, it's too easy to forget to ask a crucial question, and second, it is

(continued on page 20)

Monnie Ryan is a management consultant and freelance writer in Niles, Ohio.

The restaurant industry is changing again. The idea of "processing" customers—simply opening the door and extracting money from a line of people—is gone. We have more competition; there are more alternatives. And we are looking at higher customer expectations.

Restaurateurs are suddenly recognizing that the service employee, the one who faces the customer, is the single most important employee we have. Everyone who works behind that person is there simply to make the service employee look good in the eyes of the customer so that the customer will leave satisfied.

Hire "sparklers"

So, if we want to give away the gift of friendship, then we'd darn well better pay attention to the selection process.

We must tell our managers we want people who have the personality to represent us well with the public. We want "sparklers"—people who are friendly, sincere and enthusiastic—and we have to get them in spite of the labor shortage and high wage costs. That means we must base our judgments on how the applicants look and how they sound.

When I interview, I want the candidates to talk to me. I ask them questions about where they have been,

Michael Hurst is the owner of 15th Street Fisheries in Fort Lauderdale, Florida, and is the treasurer of the National Restaurant Association. This article is adapted from a speech he enthusiastically delivered at the 1988 MUFSO conference.

HIRING FOR PERSONALITY

by Michael Hurst

Everyone has heard by now that service will be the benchmark of success in the 1990s. But how can you find people who give away the gift of friendship? You hire for personality, for sparkle, for enthusiasm.

what they have done and what they would like to do. I listen to them and make the same type of decision a customer makes. Does this person come across well?

The key question in my interviews has always been: "What is the funniest thing that has ever happened to you?" If this person looks at me and says, "I don't know, I guess I can't think of anything funny right now," then I know that is how they will come across to my guests. Now, some of them will look at you, start to smile and say, "A lot of funny things have happened to me, and I would not tell you any of them." Those people I might hire just because I wonder what turned them off so fast. This is where subjective judgment comes in.

Look for expressiveness

The ones I really want, though, are those who say, "Well, I'm not sure if this is the funniest thing, but on my way here today . . . " and they suddenly start talking. And when they talk, they use expressive movement. They change their tone of voice, they move their head, they move their hands. With body language they show that they think it is funny. That body language is important when they are talking about the new dessert, the new soup or the new french-fried potato, that something on the menu they are excited about. Their recommendation and the way they show it is special—they are highly believable, sincere—in short, a friend!

I will never forget the time when one of our managers was interviewing an applicant. I was in a meeting two offices away and suddenly I heard loud stomping, shouting and hollering. I called my secretary and asked, "What is going on? I can't hear my own meeting." She said, "Well, they are interviewing down the hall. If you want to call, call direct because the door is closed." So I called and said, "You know I'm trying to have a meeting; what's all the noise?" The manager said, "I'm interviewing for a job at the front desk and I asked the applicant what was the funniest thing that ever happened to her. And I think we finally got one that's too crazy for us." I said, "I haven't seen her, but I can tell that she's got to be a winner. Hire her and put her on the front desk."

Expressive movement lends a high degree of credibility to the person talking. We must never encourage a person like that to sell things. Instead, we must encourage that person to talk about things they believe in. Sincerity has a much higher long-term value.

The other thing to look for in judging people is their ability to laugh at themselves. It is very easy for us to laugh at one another. But the really nice people, the ones who come across well quickly, laugh easily at themselves. When I find someone like that, I want to take that person straight to the front desk. I just want that person to remember names, stand there and say "How nice it is to see you! Welcome back." If I teach people like that how to take reservations, process credit cards or balance the books, they forget that they are service employees. I can put the accountants behind a screen, but I want that friendly person out front winning over customers.

Bring on part-timers

One method I use to ensure that I have a good set of personalities on staff is to interview people on a continual basis. I am always looking for help. The reason I can always hire someone is because I try to maintain a balance between part-time and full-time employees.

The 50 percent of my staff who work part-time include housewives, lifeguards, schoolteachers and students. I want it that way. These people are tough to train, but they add precious enthusiasm and excitement to their jobs that is important to helping my full-timers maintain that gift of friendship. Those part-timers come to work and say, "Boy, am I glad to be here tonight. Charlie is home with the kids, and I really need this chance to get away." That's the kind of employee who will stay, because the job is a break in her routine. It's fun, and it helps her get the extra money to buy a car or a cottage or send her son to college. Oh sure, part-time workers will need time off for sick kids and other priorities. They are not tied to their jobs. But if we understand that, they will stay for years. They will work hard to get that "thank you" from their customers.

Just the other day I hired a waitress who is as good as any I have ever seen. It's not that she is so fast or so organized. She has a presence that causes people to think, "Wow, is she ever a nice person."

When she came in looking for work, I thought to myself, "This one has it. I couldn't teach anyone this. I have to hire her now while she is looking for work." Even though technically I had no openings when I hired her, I will just wiggle the schedules to make room for her. There is always one person who would not mind an extra day off. Then as time goes on, someone will leave, and I will have absorbed a winner. If we wait until we are desperate, we will never end up with the really good ones.

Niceness counts

We have to get nice people working for us—not everybody is nice. Selecting "sparklers" is extremely important, because motivation begins when we hire and then extends throughout our operations. It is up to us to see that our managers recognize the winners when they apply, and hire them. ❑

The biggest mistake most interviewers make is not understanding that past performance is the best predictor of future behavior.

possible to inadvertently ask a question that could be challenged in a court of law by a disgruntled also-ran.

Having a prepared list of questions, on the other hand, allows the interviewer to be reasonably consistent in the questions asked of each candidate. It also provides a "cheat sheet" so you can pay attention to what the candidate is saying and doing instead of concentrating on what your next question will be.

Past performance is best predictor

The questions chosen are all-important. The biggest mistake most interviewers make is not understanding that past performance is the best predictor of future behavior. Effective questions are designed to elicit examples that show the candidate has the necessary qualities for the job. Simply sticking to a standard "laundry list" of interview questions will only reveal which applicants are skilled in interview techniques.

When you go to a race track, for example, you're likely to place your money on a horse that has won in the past. The businessworld is no exception: skills, knowledge and abilities displayed in previous jobs are those most likely to be repeated, and behavior-based interviewing brings these qualifications to light.

"Avoid setting up a hypothetical situation and asking the candidate to explain how he or she would handle it," urges Tim Mooney, manager of targeted assessment at Development Dimensions International, a management consulting firm headquartered in Pittsburgh. Most candidates will simply provide a standard answer that reflects what they think the interviewer wants to hear. "But that doesn't mean they can put it into practice and achieve good results," Mooney cautions. "There's a big difference between knowledge and ability."

Once you have determined your requirements, it is an easy jump in logic to determine the questions you will ask. For example, to determine an applicant's expertise in a "can-do" skill," such as knowledge of computer languages, the interviewer might ask: "Describe in detail a program you have written in FORTRAN." To test customer-relations ability, the question might be phrased, "Think of a time you were faced with a particularly difficult customer. What did you do to defuse the situation?"

To determine a "will-do" skill such as initiative, you might ask the candidate to tell you some of the suggestions he or she made within the past six months. Conflict-resolution skills might be evaluated by the question, "Tell me about a time when your subordinates disagreed about how to handle a project. What did you do and what was the outcome?"

Consultants maintain that "job-culture fit" is the most difficult interview category. You could ask the candidate to explain what aspect of his or her current job is most satisfying and why. And, conversely, which aspect is most dissatisfying. It's important to look at both sides. Look at an applicant's resume for inconsistencies or points that may need clarification.

Ask open-ended questions

Questions should be open-ended; that is, not answerable by a simple yes or no. The more freely the applicant speaks, the more information you have available with which to make an intelligent decision. But be sure to allow plenty of time for the candidate to answer; thinking of specific examples of past behavior isn't always easy. To make the situation more comfortable, make a statement such as "I know that's a difficult question—please take your time."

Often, a candidate will hesitate to give an example because he or she wants to be sure it is the "right" answer. Explain that there are no right or wrong answers, that you are simply trying to understand his or her strengths and weaknesses.

Just before the interview, review the applicant's resume for an item that could be used as an icebreaker, such as a common interest. Beginning with a nonthreatening question sets a tone of friendliness and openness and provides a "comfort buffer" that puts the candidate—and the interviewer—at ease. "It's important to maintain the candidate's self-esteem throughout the interview," Mooney says. "You can accomplish that through smiles or by paying the candidate an occasional compliment."

Listen

Then listen. "The primary responsibility of an interviewer should not be to ask questions," Mooney says, "but rather to listen for the answers and observe behavior." Pay attention to body language, which may provide additional clues to future behavior. Lack of eye contact, constant hand-wringing or a tentative voice, for example, may signal a lack of confidence that could spill over into job situations.

Take thorough notes. Although most interviewers like to think they will remember everything that was said, most do not. Information gathered from several candidates is easily lost in the shuffle. Jot down key words or phrases with each interview question.

Rarely would you make a large expenditure without consulting with others in the company; yet hiring decisions are often made on the basis of one opinion. Each candidate should be interviewed by several company representatives. Later, data collected can be shared during a discussion of each candidate's strengths and weaknesses.

Finally, remember that an interview is a two-way street. An interviewee should be scrutinizing the company as much as he or she is being scrutinized. Questions about the company's future direction or career opportunities down the road indicate that the candidate is interested in more than just salary or benefits. You can learn a tremendous amount from the kinds of questions the individual asks. ❑

VALET PARKING

Is it for you?

Photo courtesy of F. Scott's in Washington DC

Should your restaurant offer doorside service? Industry experts say the answer is certainly yes if you fall into one of the three most common categories: an upscale restaurant frequented by customers who expect such service, a downtown restaurant in a redeveloping area that is not safe or comfortable for walking, or a busy establishment with high automobile volume and inadequate parking. A fourth reason for valet parking is a temporary problem, such as nearby construction or a special event that creates a bottleneck.

"The nationwide average maximum walking distance acceptable before a customer reconsiders his destination is 200 to 500 feet. That is greatly influenced by what the customer has to walk past. Having to cross a busy street, even with a crosswalk, will discourage patrons. And having to step over someone on a sidewalk or walk past a dangerous area will deter a person from walking at all," notes Robert Weant, vice president of technical services at the Eno Foundation for Transportation, Inc. a privately owned think tank in Westport, Connecticut, devoted to transportation research.

Once you decide that you want to offer valet parking, you must decide if this is a service your staff will provide or one that is best suited to an outside company. For example, to run a valet service of its own, a restaurant must invest in the necessary equipment—key box, signage, tickets and uniforms. If the restaurant has no parking lot, one must be found and a lease negotiated. Insurance must be increased to cover additional liability.

The restaurateur must then recruit, interview, hire and train a staff and attend to the necessary city requirements. Once the service is running, the owner or a designated employee must supervise the service and manage the no-shows, illnesses, turnover and other personnel headaches.

With all the responsibilities calling from inside the restaurant, many restaurateurs opt to hire a valet parking operator. Often there are cost benefits because of the economies of scale.

"Legitimate valet parking operators with several clients usually can buy blanket insurance coverage for less than an individual restaurant could," explains Tracey Leverton, vice president of Valet Parking Service, Inc., in Culver City, California, one of the nation's largest and oldest valet-parking operators and the company that coined the term in 1946. "They also get better leases on parking lots, because they need space for more than a single restaurant."

With the delegation of duties comes the danger of poor service, however. The most common complaint among restaurateurs is the inadequate service their valet parking operators provide.

"In my experience, the further you get from the owner or manager, the worse the service becomes," explains Tom Anderson, general manager at the Parkway Grill, a thriving restaurant in Pasadena, California, which parks 8,000 cars each month.

"The service our valets provide is a direct reflection on us," Anderson adds, and that is why he has begun insisting that every new valet meet with him before he begins work at the Parkway. "In the past we have had a few problems with rude or inattentive valets. That's not the way I do business. I want every person who represents this restaurant to know how we view service."

Arrangements vary

Arrangements between restaurants and valet parking operators are so varied it is difficult to establish a standard. Some restaurants pay their valet service a fee each month to park all cars entering the lot; others pay a fee per parking attendant per shift. Some pay nothing at all but allow the valet service to realize its profit from service charges collected from customers. And a few booming establishments are paid by the valet service for the right to the lot. In those cases, the service pays its attendants an hourly wage and receives profit from tips or service charges.

Jimmy Murphy, owner of Jimmy's, an elegant French continental restaurant near busy Century City in Los Angeles, is paid $500 per month by his parking operator. "It's just a token, really," Murphy says. "I've been offered as high as $3,000 a month for the concession. But it's not just the revenue; it's the service we offer more than anything else. Hugo Flores has been handling my parking for almost 11 years. He knows which customer likes to park his own car and which ones like certain parking spaces. My guests know that they just have to ask and their cars will be washed or even waxed while they are at lunch."

The many variables make it impossible to estimate the cost of valet service to a particular restaurant without evaluating its needs, says Leverton. "If there were a formula to figure out costs, we would have found it," he says. "Costs are affected by the volume of cars passing through the lot, the distance between the restaurant and an off-site lot, the safety of the neighborhood and its effect on liability insurance, and the number of personnel needed to run the service adequately."

Contracts with parking operators are usually one-year renewable agreements or month-to-month arrangements with a 30-day cancellation clause.

The valet parking service should pay attendants' wages, payroll taxes and benefits. It should also provide and pay for training, uniforms (unless the restaurant requests a uniform unique to its establishment), supplies and support personnel.

Because of the expense, some restaurants now authorize their operators to levy a service charge per car. The charge ranges from $1.00 to $2.50, depending on the city. A tip may be given in addition to the service charge. Leverton believes it will be the arrangement of the future.

What your city may want

Your city ordinances may require your restaurant or valet service to go before a traffic and parking commission before allowing curbside parking to begin. If you are located on a busy street, the city may require a fee to establish a loading zone in front of the restaurant as well, to make up for lost parking-meter revenue.

It is the city's responsibility to cooperate with immigration authorities to ensure that employees are legal residents and that no traffic laws are broken in the valet's zeal to get the most cars parked. However, cities usually don't require bonds or screening of employees, so it is the restaurant's responsibility to confirm that the parking valet performs all security checks.

In Chicago, where a convenient parking space is as rare as a timely plane change at O'Hare International Airport, the Illinois Restaurant Association (IRA) recently worked with the Chicago City Council to create an ordinance that regulates valet activities. Andy Kelly, president of the IRA, explains that Chicago's downtown regentrification has caused an unrelenting parking crisis.

"Few restaurants have adequate lot parking, so valets must park on the street," he explains. "But they started

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Marcia Hibsch Coppess is a freelance writer in Pasadena, California, who writes frequently for ***Restaurants USA.***

parking in front of fire hydrants and in crosswalks, and consequently they broke all sorts of traffic laws. We got involved to ensure that a fair ordinance would protect the residents and restaurants from irresponsible valet operators." The regulation now requires valet operators to be licensed and insured, to pay a tax and to park cars only on main streets and in lots, rather than on residential side streets.

Beverly Hills is probably the toughest and most closely regulated city in the nation, notes Leverton. In that city, a seven-resident parking commission requires a map illustrating a route from the restaurant to the lot and a demonstration that traffic flow will be controlled.

Parking-enforcement employees and the Beverly Hills Police Department patrol restaurants with valet parking to confirm that services are complying with traffic-flow patterns, that they are only accepting cars within marked loading zones and that no other infractions are occurring.

"Every attendant working in the city has a background check through the California Department of Justice," he says. "They handle keys to very expensive vehicles, so everyone is protected by careful initial checking."

Insurance—the most important factor

Insurance is the most important element of your contract with a valet parking service, yet it will be the simplest area, because you simply must not proceed without proof of adequate insurance with deductibles appropriate to the operator's resources. Small companies with low fees sometimes squeak by on minimal insurance coverage that can be exhausted by one claim.

Anderson's first valet service allowed its insurance to lapse while it shopped for better rates, without informing him. Four months passed before he heard the news through the restaurant grapevine. The valet lost its prize contract that day.

"He wasn't covered for one penny!" Anderson exclaims. "One crushed Mercedes could have turned us into a has-been restaurant. Now we require proof of insurance and yearly proof of renewal."

A valet parking operator will probably be required to purchase insurance of several types, which can vary by city ordinance or state law. Among them are public liability, property damage, bodily injury, garage-keepers' legal liability, comprehensive general liability, workers' compensation and excess liability umbrella coverage. Your business insurance advisor will recommend adequate coverage for your area and the type and volume of your restaurant. Although the valet operator is liable for damages under most arrangements, you should confirm your liability and protection with both legal and insurance advisors.

"A restaurant is not liable for damages once it has contracted with a valet parking service that provides a certificate of adequate insurance," says Leverton. He admits, however, that some customers will sue whoever appears to have the deepest pocket.

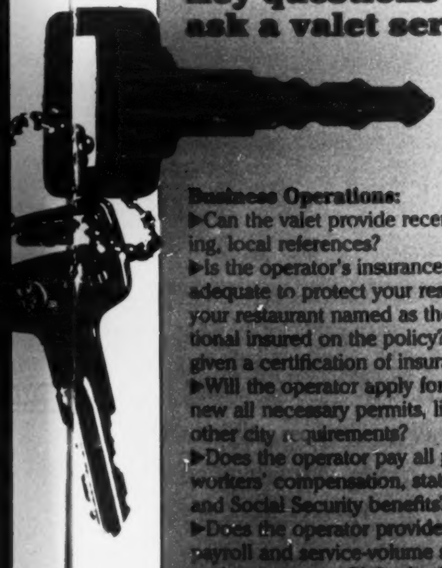
False and fraudulent claims are the biggest headaches of the business, Leverton says. "Despite the disclaimer on the tickets, people can make claims of damage or missing items if they choose to," he explains. "Most of the time, nuisance suits are just paid off by the insurance company, and a lot of people know that. If our attendant didn't notice the scratch, we're stuck."

Murphy admits that his restaurant has been stung a few times by what he suspects were false claims. "When you drive a Rolls-Royce, even a scratch can be a very expensive repair," he points out. "To protect ourselves, we train our parking attendants to do a quick spot-check of the car before the person enters the restaurant. If there is a scratch or dent, they call attention to it."

Many valet companies want customers to use an auto body shop where the valet operator has arranged a lower price for repair. If the body shop is carefully selected and monitored, that can be a convenient arrangement for the restaurant, valet operator and car owner. However, if the shop does not provide top service to car owners, the restaurant suffers.

"It goes against our concept of service to guests to insist that they take their cars to a specific garage," says Anderson. "If they don't mind, fine. But if they have a favorite garage they want to use, I tell my operator that's where they'll go, like it or not. "In this and all other decisions, I know that if I don't stick up for my customer, he'll have a sour taste in his mouth for the Parkway, not for the valet concessionaire." ❏

Key questions to ask a valet service



Business Operations:
▶Can the valet provide recent, ongoing, local references?
▶Is the operator's insurance coverage adequate to protect your restaurant? Is your restaurant named as the additional insured on the policy? Are you given a certification of insurance?
▶Will the operator apply for and renew all necessary permits, licenses and other city requirements?
▶Does the operator pay all payroll, workers' compensation, state taxes and Social Security benefits?
▶Does the operator provide a monthly payroll and service-volume statement to the restaurant (if the fee is determined by volume or number of valet hours used)?
▶Does the operator belong to a parking industry association and adhere to its code of ethics?

Personnel:
▶Are you provided proof of clean driving and criminal records for all employees?
▶Do you have the right to reject any employee for any reason?
▶Are all employees in compliance with immigration regulations?
▶Are all employees provided uniforms?
▶What kind of training do new valets receive?
▶Who supervises the valets?
▶Is there adequate additional staff to cover during illnesses, holidays and busy times?

Damage claims:
▶Who handles claims of damage? How quickly?
▶Does the customer have a choice of repair shops, or does the operator require that repairs be made at one place?

"Take it from the top" is the obvious starting point in most projects; yet the ceiling is often ignored as a restaurant design tool.

"There's a lot you can do with paint and color, or by hanging things from the ceiling," says Hard Rock Cafe curator Steve Routhier. "If you think about it, the ceiling is exposed to virtually the entire restaurant. It's foolish to overlook a detail that large. Doing something doesn't necessarily mean spending a lot of money."

Adam Tihany designs about 10 restaurants a year with his own firm in Manhattan, and he echoes Routhier's sentiment. "Restaurateurs are not interested in doing something with the ceiling, because of the expense," says Tihany, "but the ceiling is probably the most important design element in any restaurant. It's the single largest exposed facet of the room. The true life and soul of a restaurant starts with the ceiling."

A showcase for local memorabilia

One way to show off a ceiling is to use it as the backdrop for highlighting a restaurant's theme. From top to bottom, Starbuck's in Hyannis, Massachusetts, is a showcase for local folk art and memorabilia, such as weather-beaten weathervanes, old shop signs, whirligigs, team photos and antique family portraits, collected by the family of Starbuck's' owner, Marty Bloom.

The largest and most notable item in the collection is the half-scale model of a World War II Fokker airplane suspended from the ceiling and piloted by an Errol Flynn-type dummy. "We back up to the local airport," says Bloom, "and there are a lot of old Casablanca-type airplanes parked out back, old DC-3s and such. So we made it our mission to find one we could 'fly' in the restaurant. My dad bought it from a guy in Nashua, New Hampshire, who had built it himself."

Starbuck's' ceiling was also put to work to solve the problem of a lack of space for liquor storage. Liquor is stored and displayed in hanging birdcages around the bar area. The cages look like fantastic local finds, but as Bloom explains, "The cages are not really antique. They have to support about 300 pounds of bottles at a time, so we had them made."

"A whole salmon run"

Homemade art was the answer executive chef/owner Greg Higgins came up with to fill the large space created by the ceiling in the Heathman Bakery and Pub of Portland, Oregon. Higgins recalls that he "needed something to activate the space in our 18-foot ceilings, but I also like to tie everything in with our theme of Northwest American cuisine."

He thought of the arresting Japanese *gyotaku* salmon print that artist and friend Roger Long had made for

Showing up ceiling myths

Myth #1: A high ceiling is a noisy ceiling. "Not necessarily," says designer Brad Elias of the Hochheiser-Elias Design Group in Manhattan. "As sound travels farther, it gets weaker. With a very high ceiling, most of the sound has dissipated by the time it's reflected." A high, curved ceiling can be acoustically harder to control, however.

Myth #2. An "exposed" ceiling (showing ductwork, for example) is the most economical way to do a ceiling. "An exposed ceiling can have a cheap casual effect," according to Dallas designer Charles Deboub, "but it is not necessarily the most economical approach. It still has to be functional and in line with building codes, so you have special ductwork involved, insulation, special wiring and lighting needs. To me, the most economical way to do a ceiling is with inlaid two-by-fours, but it doesn't do anything for the look of a place."

Myth #3: The ultimate decision on what to do with the ceiling is a matter of cost. Most designers agree that "doing it on the cheap" is the wrong way to approach ceiling treatments. A ceiling doesn't have to cost a lot to add a lot. As Elias says, "When you are motivated by doing it cheaply, the result looks that way, and that's a poor reflection on the whole restaurant."

AHH

GLORIOUS

"The ceiling is probably the most
restaurant. It's the single largest e
life and soul of a restaura

The Ceiling

by Joan E.

The large rotunda ceiling of the Dallas Hard Rock Cafe features a mural and a dazzling Texas star.

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S HEIGHTS

t important design element in any xposed facet of the room. The true ant starts with the ceiling."

as Showcase

. Herlong

him as a wedding gift, so Higgins commissioned 24 more to hang from the restaurant ceiling—"a whole salmon run" for the restaurant.

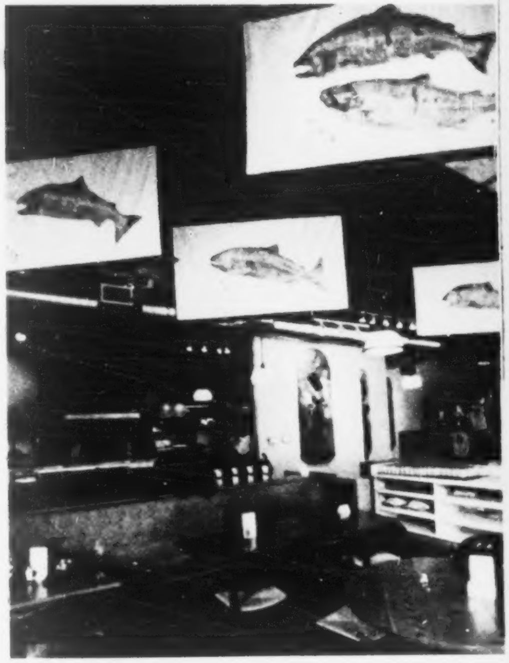
The large banners, size 30-by-48 inches, hang at varying heights, replicating the flow of the river. The prints are actually a textural impression of fresh salmon caught in local waters. Artist Long worked on his project right in the kitchen, employing muslin and nontoxic paints to render each unique print. "People are fascinated by the prints," enthuses Higgins, "especially when they learn that we actually prepare and serve the fish that are printed. The salmon banners warm up and soften the space in the restaurant, but they also serve another purpose. Roger [Long] really 'speaks the fish's language,' and his work expands people's awareness of fish and the environment."

The ceiling as "show"

Ceilings are as much a part of the dinner attraction at the Hard Rock Cafes throughout the world as the restaurants' $5 million rock-'n'-roll memorabilia collection. "We use detail to distinguish ourselves," says Routhier, "so every detail we overlook, including the ceiling, is a strike against us."

Each Hard Rock Cafe ceiling is part of the restaurants' aim to "entertain the eye as well as the rest of the senses." The ceilings of the Hard Rock Cafes in Dallas and New York City are particularly notable.

In Dallas, designer Charles Daboub created the Hard Rock Cafe within a former Baptist church, complete with a large rotunda in the center of the ceiling. "The convex portion of the dome is the only part of the original ceiling we retained in the main dining room," says Daboub. Rather than adding lowering effects to it, Daboub highlighted the dome with a mural of sky and clouds. A 12-foot, stainless-steel-and-bronze Texas star dazzles in the dome's center.



Not every restaurant can improve its ceiling by hanging large salmon banners, but it worked for the Heathman Bakery and Pub of Portland, Oregon.

In the "cheese club" area on the mezzanine level of the Dallas restaurant, the ambience is somewhat more intimate than in the lively main dining room. Here Daboub recreated an old English pub ceiling using "a ceiling from an actual pub, assembled at the job site, plus new pieces carved and milled" to complete the effect.

At the Hard Rock Cafe in Manhattan, the theme and lines of the famous guitar-bar have been vertically transmitted throughout the rest of the restaurant. Routhier explains that the bar itself is a "a 70-foot replica of a Fender Stratocaster electric guitar. The wainscoting, wall and dropped ceiling above the bar echo the hourglass curve of the guitar."

Don't slight the ceiling

Whatever the look of your restaurant, be sure the ceiling caps it off. "I often get requests to simply 'paint out' a ceiling," says Charles Daboub, but he resists doing anything to a ceiling unless it is part of the overall plan for the restaurant. "The ceiling should never be an afterthought," says Daboub, "but a conscious decision in line with the look of the entire restaurant." ⌟

Joan Herlong is a freelance writer in Arlington, Virginia, who contributes regularly to ***Restaurants USA.***

MUSEUM RESTAURANTS

In the Great Lakes region, in Texas and on both coasts, museums are becoming known for more than their art collections. Foodservice managers in the museums we contacted discussed the serious effort they are making to tempt a discriminating clientele.

Where Palette and Palate Meet

by Mary Kincaid

Today at many museums, the noon or evening meal has become the focus of a visit. No longer dedicated to serving only visitors, museum restaurants attract surrounding office workers on a regular basis. Executives often bring important clients to business lunches or catered events, and hostesses choose the ambience of museums for special lunches. This new interest in museum dining has triggered menu changes.

At the National Gallery of Art, menus change four times a year at the Buffet, and hot items more often, in order to pique the interest of repeat visitors.

Food prepared by museums

Shirley Shoched, manager of The Museum Cafe at the Toledo Museum of Art, notes that 200 to 400 people eat at the cafe daily. Outside patronage accounts for 90 percent of business, with only 10 percent coming from museum staff and visitors. This reverses statistics of past years.

"Office workers often call in to see what's on the menu so that they can enjoy a quality meal unavailable elsewhere at the price. Now we change the menu daily, rather than weekly, and we make everything in our kitchen. We even chop our own vegetables, blend five different types of coffee beans and whip our own fresh cream," says Shoched. "Crepes and quiches are popular, as well as a vegetable gateau and our own spinach pie. Chilled Burgundy soup and hot chicken salad are both favorites."

Cafe meals are always geared to special exhibits and toward the customers. "When a show came from the Hermitage Museum in Leningrad last year, we featured blintzes and caviar at a members' lunch. On Saturdays, when students fill the museum, we feature sloppy Joes, foot-long hot dogs and pizzas," says Shoched.

The menu always includes three entrees, two hot soups, one cold soup, a variety of fresh salads and four or five homemade pastries. Beverages include soft drinks, beer, coffee and tea, as well as red and white Ohio and California wines.

At the Art Institute of Chicago, cool foods and salads are most popular with the 800 patrons who eat in the museum's four restaurants every day.

"The trend here (including the upscale dining room) has shifted noticeably from red meat to fish and veal. Lighter dishes are more in demand and fewer sauces are needed. Our menus reflect the last few years' movement toward fowl and seafood. We always used to have steak in the dining room; we only have tournedos now," says Bob Wiedenbeck, associate director of special events and dining operations. "Liquor sales are not as heavy as in outside restaurants. We serve lots of glasses and carafes of wine, rather than hard liquor," he adds.

The Gallery Buffet, at the Dallas Museum of Art, offers lunches six days a week to typically 200 visitors (or up to 500 for special events, such as the recent Georgia O'Keefe exhibit).

According to food and beverage director and chef Jack Vandever, soups and salads rate tops, but menus change weekly and are tied to special exhibits. For the O'Keefe opening dinner, the Southwestern theme featured sauteed veal in red wine with Texas pecan bordelaise, and tortilla and goat-cheese lasagna.

Mary Kincaid is a freelance writer in Ann Arbor, Michigan.

Food prepared by contractors

Mark Stein, owner of Mark of Excellence Catering Service Inc., contracts with the Detroit Institute of Arts, where some 400 to 500 museum visitors fill the Kresge Court Cafe daily. They choose what tempts them from the scattered cafeteria stations that feature custom-made deli sandwiches, main-dish specials, salads, desserts and beverages that include coffee, tea and Michigan wine and beer.

"Our salads are very popular," Stein says. "We recently changed the line layout and added the deli-sandwich area, specialty breads and a very good salad bar."

He notes that hot dishes change daily. Although the menu includes experimental and upscale items, people regularly ask for old-fashioned meatloaf. "They call in advance for menu items, especially our meatloaf," Stein says. "I notice a taste trend toward more home-style meals. Wine sauces and cream sauces are giving way to natural gravies. The trend is just beginning, but it's very noticeable. I see a shift, too, from nouvelle cuisine to American-style food and less pretentious dishes. Even so," he adds, "museum clientele demand more menu sophistication than our outside corporate clients want."

Martha Geffen, president of M.S. Penn Inc., who contracts as manager of the Studio Restaurant at the Minneapolis Institute of Art, also has seen a change in food orientation. "I notice that lately visitors ask what the food has been cooked in, and they choose olive oil above butter. We are now using less butter than before," she says.

Geffen changes the menu daily, and 200 people going through the cafeteria line choose from a menu that features two hot entrees (Greek spinach pie being a favorite); entree-sized salads, including salade Nicoise; two soups; three or four sandwiches and four desserts. Beverages include beer and California wines.

Geffen, experienced in hotel restaurant management, too, notes that museum-goers appreciate exotic and creative menu items, such as those from the Southwest, Thailand, China and Scandinavia served at the Studio Restaurant. "Hotel guests, in contrast, need more steaks and basic foods. Museum-goers are excited by different dishes," she reports.

At the Plaza Cafe at the Los Angeles County Museum of Art managed by David Garrett of Somerset Caterers, Inc., "The key word to describe the menu is innovative," says Pam Jenkinson, head public information officer, pointing to Moroccan couscous, Szechuan roast pork, Beef Provencal and a salad bar that features such items as artichokes, hearts of palm and pasta. Customers pay by the ounce, and the salad bar menu changes every three months. At least one menu item ties into each special museum exhibit.

At the Guggenheim Museum in New York, the curved wall at left echoes Frank Lloyd Wright's famous spiral theme. The museum's baked goods and hot foods are catered, but the salads and sandwiches are prepared on the premises.

The 4,000 patrons who visit each week linger about 45 minutes in one of the museum's two cafes. The Plaza cafe seats 160; the Court, 64. Visitors spend from $5.50 to $8.50 for a typical lunch.

In Washington DC, the National Gallery of Art retains Guest Services, Inc., to supply the foods for its four eateries (the main cafeteria alone serves 2,200 people a day).

According to the museum's director of foodservice Tom Fechter, allowances are made for a variety of dietary concerns. "People enjoy light items with low fat content, and those dishes always draw a positive response," he says, noting that the hot line is moving away from dishes with heavy sauces. Some popular replacements include vegetable lasagna and chicken Florentine.

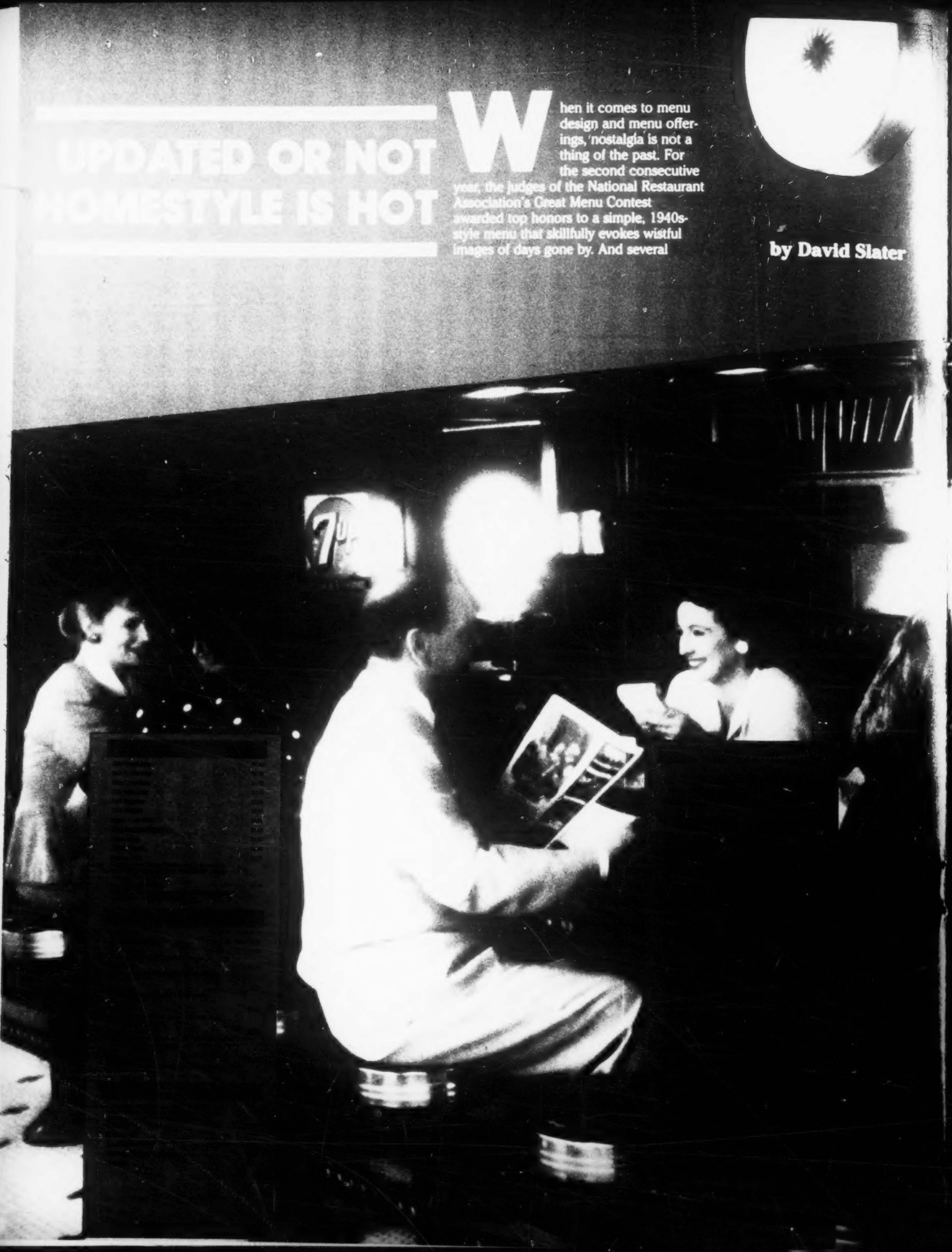
Fechter adds that, in contrast to times past, he has noticed that cafeteria customers are now going first to the salad station. Formerly, they marched straight to the hot entrees. Still, patrons are eating more fresh-baked desserts and breads than ever before. One favorite is the cafe's pita toast.

Wines, too, are popular. All are American, predominantly from California, but Virginia and Maryland wineries are represented as well.

The museum's latest innovation, however, is an afternoon tea service with a dessert cart, which appeals to the hordes of foot-weary Capital visitors.

Satisfying appetites

In short, it seems that museums are working hard to satisfy both culinary and aesthetic appetites these days. ❑



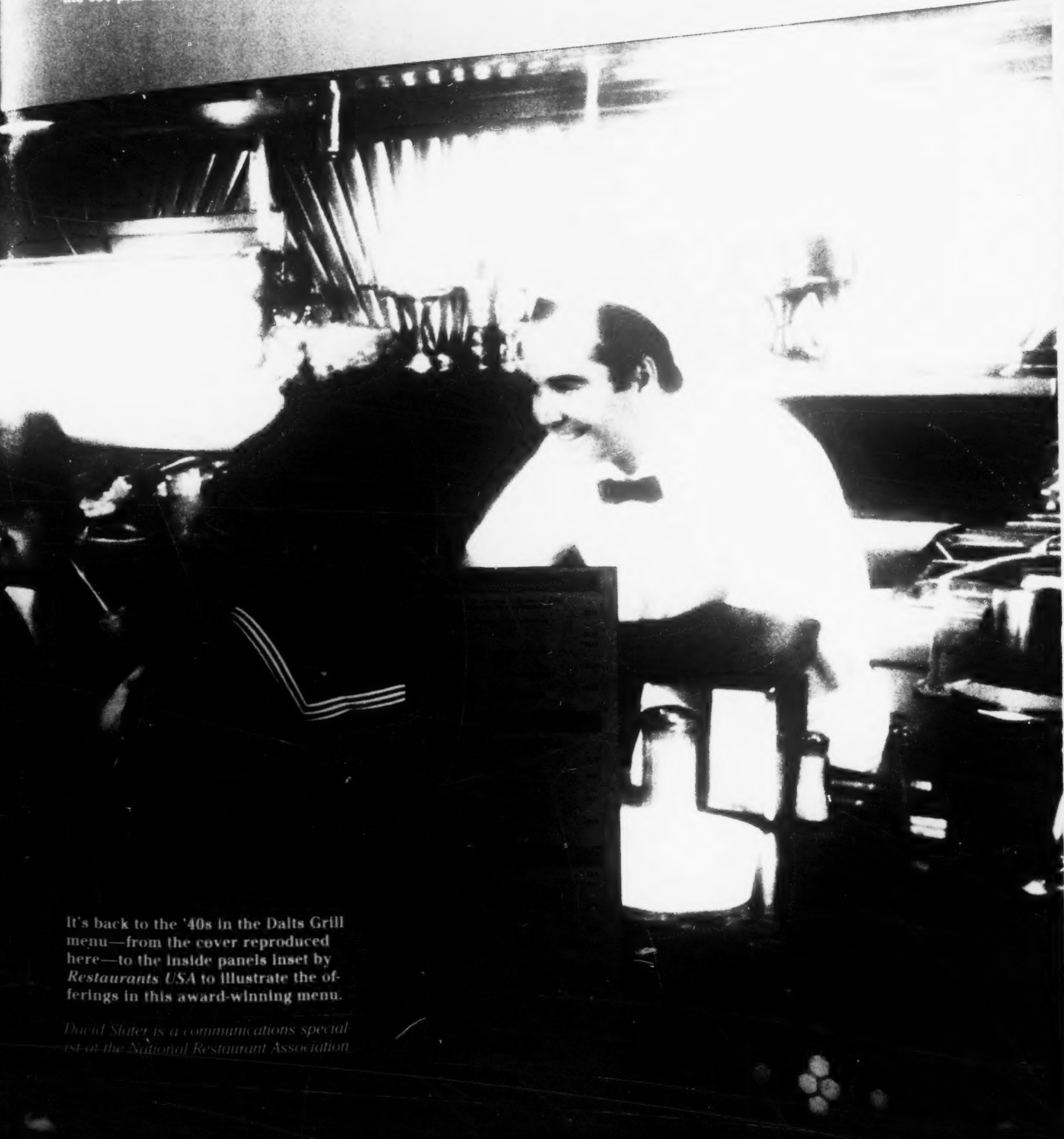
UPDATED OR NOT HOMESTYLE IS HOT

When it comes to menu design and menu offerings, nostalgia is not a thing of the past. For the second consecutive year, the judges of the National Restaurant Association's Great Menu Contest awarded top honors to a simple, 1940s-style menu that skillfully evokes wistful images of days gone by. And several

by David Slater

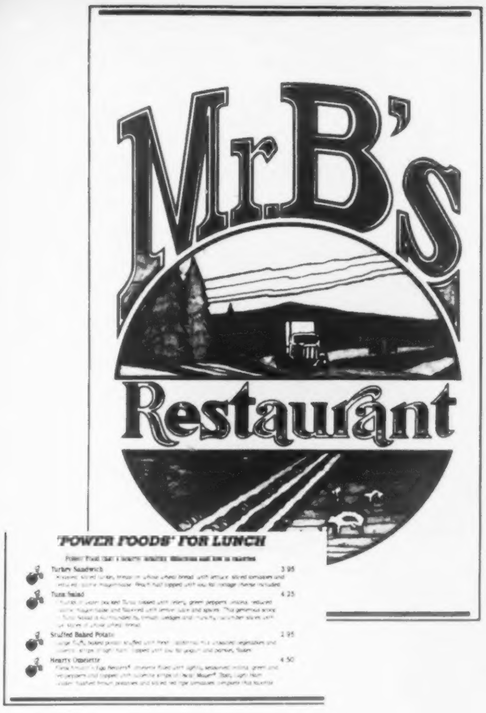
other well-received contest menus incorporate old-fashioned design elements to convey a comfortable sense of familiarity to customers who want a break from nouvelle cuisine.

Nostalgia seems to be a key consideration when it comes to formulating menu offerings, too. More than 10 percent of the 650-plus entries in the 1989 Great [illegible]



It's back to the '40s in the Dalts Grill menu—from the cover reproduced here—to the inside panels inset by *Restaurants USA* to illustrate the offerings in this award-winning menu.

David Slater is a communications specialist at the National Restaurant Association



Mid Cal Auto/Truck Plaza
Santa Nella, California

the name doesn't describe anything. So, when it was time to redesign the Dalts original menu, we decided to give it the history that the restaurant didn't have."

During a series of focus-group tests, says Casebolt, participants "repeatedly rejected 'overdesigned' menus. Instead, we found that people wanted something comfortable, recognizable and stable. So we designed the new menu to take customers back to the good old days."

Across all three panels of the menu's outside cover stretches a photograph of a crowded lunch counter at an actual Dalts in Dallas. The smiling counterman, waitress and customers, however, are all in 1940s-period dress. The photograph, which was the result of a grueling all-night photo shoot, is a black-and-white separation with a brown screen that gives the picture a period feel.

The inside menu lists the items in an Art Deco-style typeface, and the straightforward descriptions replace the original menu's flowing narratives. "We didn't sizzle the decriptions this time," says Casebolt, "because in a diner you just ask your server if you want more information about an item." Some of the offerings, such as fajitas and the Dalts boboli sandwich, smack of modernity. But cheese fries, juicy burgers and old-fashioned milkshakes harken back to the familiar old malt-shop menu.

The Dalts menu, introduced at the seven-year-old chain in October 1988, was an immediate success. "We knew it was a winner," laughs Casebolt, "when almost all the first shipment of menus were stolen within the first few weeks."

Good eats at Chez Piggy

Another prizewinning menu that successfully conveys a sense of days gone by belongs to *Chez Piggy*, a new 64-seat restaurant in Des Moines, Iowa, where customers can "pig out" at value prices. A cartoon pig on the menu's cover, encir-

CONTEMPORARY HOMESTYLE INTERPRETATIONS

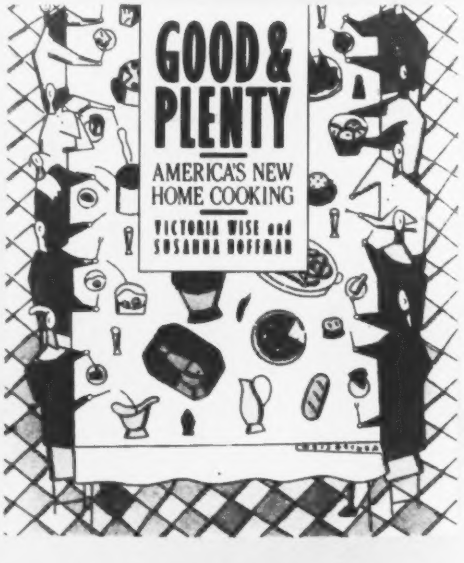
If heart-healthy food at a truck stop isn't evidence of a new direction in homestyle foods, Philadelphia's Down Home Diner is. Owner Jack McDavid's two-year-old restaurant looks like a diner—with customers crowding the old-fashioned booths and lunch counter—and sounds like a diner—with clanging glasses and silverware drowning out the country-and-western jukebox.

But McDavid prides himself on "taking the old classics and giving them something new and something old." His catfish is spruced up with ground pecans and served with ginger chutney. Buffalo meat is used in the chicken-fried steak and whole tuna in the tuna-fish sandwich. If the vegetable of the day is kale, it's pan-fried and absolutely fresh. Eggs come from turkeys and ducks, not chickens; and they are still warm when they get to the diner. All ketchups, jellies, jams and preserves are made in-house.

"We serve foods straight from the farm. It might not be perfectly manicured, but it's perfectly flavored," says McDavid. Better still, McDavid is able to serve his food at diner prices—nothing more than $8.00 at dinner or $6.00 at lunch. How does he do it? His diner is located in the Reading Terminal Market, where the freshest meats, cheeses and produce arrive daily.

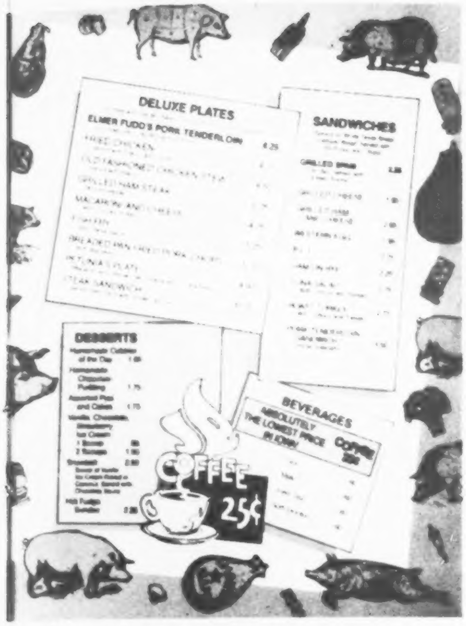
Meanwhile, across the country in Oakland, California, the owners of the Good & Plenty Cafe are also updating traditional recipes as well as adapting international dishes to American tastes, all under the guise of "home cooking." At their informal coffee-house, where they often serve 800 covers in a day, the inexpensive menu is likely to range from homemade turkey tacos and quesadillas to grilled-cheese sandwiches—with Gouda and artichoke hearts or mozzarella and roasted peppers.

According to owners Victoria Wise and Susanna Hoffman, "Today's home cooking, in a major way, incorporates all kinds of cooking styles that were unheard of 20 years ago. Ethnic and Californian cuisines, the availability of fresher foods, nutrition-consciousness, the time factor—all these influences have worked to change our idea of home cooking."



When the owners explain the evolution of the chef's salad in their new cookbook, *Good & Plenty: America's New Home Cooking*, they are also describing the changes in home cooking in general. "In the '50s, what we called a chef's salad had canned beets and asparagus. Mushrooms were never to be seen. In the '60s, the canned vegetables turned fresh, and mushrooms became essential, followed shortly by sprouts and seeds. In the new vegetable consciousness, the meat disappeared. In the '70s, gourmet and esoteric edibles came onto the scene. In the '80s, turkey came back, and the salad greens became escarole and red-leaf lettuce." Today's Good & Plenty Chef's Salad includes escarole, red-leaf lettuce, red cabbage, alfalfa sprouts, carrots, shiitake mushrooms, onions, sunflower seeds, ham, turkey and Gruyere, Emmentaler or Jarlsberg cheese.

Good & Plenty Cafe meatloaves are likely to be made from beef and pork, with a red-pepper sauce, or a spicy ground beef with hard-boiled eggs,


DELUXE PLATES
ELMER FUDD'S PORK TENDERLOIN
SANDWICHES
DESSERTS
BEVERAGES
ABSOLUTELY THE LOWEST PRICE COFFEE IN IOWA
COFFEE 25¢

Whimsy is the trademark of Chez Piggy's award-winning menu.

cled by the words "Chez Piggy" and "Good Eats," sets the tone for the playful menu that specializes in inexpensive pork offerings.

Chez Piggy's name plays both on Des Moines' reputation as a pork capital and on the city's French heritage. For the restaurant's thematic pig decor, says Tom Bowen, vice president for food and beverage at Integra Restaurant and Hotel Company, "We wanted a clean diner look, but not too nostalgic." Life-size styrofoam pigs hanging from the ceiling do the trick. Printed on the suspended swine are playful sayings, such as "Save lambs—eat pork" and "Our mashed potatoes have lumps on purpose."

This theme is reflected in the menu as well, with its pig drawings and pork-meat charts. Boxes and colors set menu categories apart from one another. Certain specialty items, such as Elmer Fudd's Pork Tenderloin (a breaded pork tenderloin that overlaps a 10-inch platter), Grilled Spam (a Spam sandwich on rye bread) and 25-cent coffee, are emphasized further by bold, oversized print. The effective item-marketing resulted in a second-place finish in the menu contest's Greatest Merchandising Power category.

Heart-healthy roadside food?

Those who think homestyle restaurants serve nothing but heavy, calorie-laden dishes are in for a pleasant shock at several of today's diners and country restaurants. For example, *Richards Restaurants*, a 20-unit homestyle chain based in Bryant, Indiana, balances its menu of home-cooked classics with a variety of selections from a one-year-old "Health Club" section, which features smaller portions and breaks down each offering by calorie, sodium and cholesterol counts.

"We began by adding a few heart-healthy items to the menu and designating them with a heart," says Natalie

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jalapenos, sherry and cilantro. Pot pie becomes an "upside-down one-crust pot pie with beef, potato and saffron pot-pie filling." And burgers become either turkey burgers, sausage burgers or ground-beef burgers stuffed with blue cheese, brie, cheddar or—gasp!—liverwurst. Hoffman and Wise believe that turkey—bland, low in cholesterol and versatile—is the "meat of the '90s," and they use the meat in everything from tacos and meatballs to burgers and salads.

Back to the future, or forward to the past, America's taste for home cooking clearly has not diminished. It seems you just can't keep a good meatloaf down.

SPICY GROUND-BEEF MEATLOAF

Serves 6

Ingredients:
4 large eggs, hard-boiled
6 ozs. mushrooms
1 medium onion
1½ jalapeno chili peppers
2¼ lbs. ground chuck
¾ cup heavy cream
¼ cup sherry
1¼ tspns. salt
1½ Tbs. chopped cilantro leaves

For the sauce, boil:
Juices from the cooked meatloaf
1 cup crushed tomatoes in puree
1/16 tspn. ground nutmeg
2 Tbs. chopped cilantro leaves

Method:

Heat oven to 350° F. Clean the mushrooms and trim the stem ends. Mince. Peel the onion. Remove the stems from the jalapeno peppers. Mince.

In a large bowl, combine the ground chuck, mushrooms, peppers and onion. Add one egg, cream, sherry and salt. Blend well.

To assemble, place half of the mixture in a 2-qt. baking dish. Cut the hard-boiled eggs lengthwise in half. Place 3 of the halves cut side up in a row down the center of the meatloaf. Sprinkle on cilantro. Cover each egg half with one of the remaining egg halves. Spread the remaining mixture over top.

Place meatloaf in oven and bake 1 hour and 15 to 20 minutes, or until meat thermometer registers 145° F. Remove and cool 15 minutes.

Serve meatloaf in ½-inch-thick slices, topped with a spoonful of the sauce. Serve remaining sauce on the side.

—Good & Plenty Cookbook

PAN-FRIED CHEESE CORNBREAD

Serves 6

Ingredients:
1 cup yellow cornmeal
½ cup unbleached all-purpose flour
2 tspns. baking powder
1 egg
½ cup milk
¼ cup water
¼ cup grated Parmesan, aged Asiago or Romano cheese
⅛ tspn. salt
¼ cup peanut oil
2 Tbs. butter

Method:

In a bowl, mix cornmeal, flour, baking powder, egg, milk, water, cheese and salt until well blended.

Pour oil into a 9 to 10-inch skillet or omelet pan. Pour in cornmeal mixture and spread to cover bottom evenly. Tightly cover pan. Cook over high heat 5 minutes. Reduce heat to low and cook 20 minutes more. Uncover pan and spread butter over top of the corn bread. Using a large metal spatula, turn cornbread over so the top is now on the bottom. Cover, increase heat to medium high, and cook 5 minutes more.

Turn out onto a plate. Cut into squares or wedges.

—Good & Plenty Cookbook

Milholland, the chain's training director. "But the items didn't really take off until we created the separate 'Health Club' section on our menu."

Besides attracting health-conscious customers, says Milholland, the Health Club offerings appeal to senior citizens and light eaters between 25 and 40 years old.

A restaurant whose menu truly exemplifies the contrast between the heavy foods that so many people secretly enjoy and the healthy foods they know they should be eating is the *Country Club Restaurant.* The Philadelphia landmark, which opened as a diner in the 1950s, has a varied menu that highlights original homestyle signature items with a blue ribbon and nutritionally correct dishes with a heart.

Imagine the battles customers wage with their consciences as they try to decide between homemade cheese blintzes served with heavy sour cream (blue ribbon) and "tuna natural," three ounces of tuna and fresh low-calorie cottage cheese (heart) . . . pot-roasted brisket of beef, served over kasha varnishkas (blue ribbon) and pasta primavera (heart).

In addition, the County Club features a special "diet night" each Tuesday and "diner night" each Wednesday, when appropriate items are featured on a special menu insert. On Tuesday, the featured dishes might include pepper steak made from lean stir-fried beef with green peppers, "herbed filet of ocean flounder" and "savory sauce chicken breast." All calorie counts are listed on diet-night items. On diner night, waitresses dressed in 50s diner outfits serve dishes such as chicken croquettes, swiss steak and the Country Club's original "meatloaf Wellington"—meatloaf wrapped in flaky pastry, covered with Bearnaise sauce.

According to general manager Mike Klauder, "The nostalgia craze has brought back an interest in many of our original dishes that we highlight with the blue ribbon, but our heart-healthy menu has brought in new business and also gets lots of interest from our older customers."

Heart-healthy eating at the last bastion of cholesterol

Finally, believe it or not, heart-healthy cuisine has even reached that last bastion of cholesterol—the truck stop. At *Mr. B's* at the Mid-Cal Auto/Truck Plaza, a truck stop in Santa Nella, California, the breakfast, lunch and dinner menu sections each include four "power food" offerings. These selections, prepared according to guidelines established by the American Heart Association, have been on the menu for more than a year and now account for nearly 20 percent of all orders. Dishes include an egg-beater omelette, broiled halibut steak and a baked potato stuffed with unsalted vegetables and light ham, topped with lowfat yogurt and parsley.

A prominently displayed menu note tells the customer that Mr. B's power-food selections are "prepared to fill you up, not out . . . " The power foods for each meal period are set apart in a special section and are designated by a heart being lassoed by a cowboy.

The menu is so successful that Uni-Cal, a leading truck-stop-franchise company, has recommended that all its members add similar selections to their menus. "You'd be amazed how many customers are interested in controlling cholesterol, calories and sodium," says Jackie Day, general manager of Mr. B's. "We had no idea how popular our power-food items would be." ☐

1989 Great Menu Contest winners

Grand Prize winners

☐ *First Place:* Dalts Grill, Dallas, TX

☐ *Second Place:* McDuffy's Sportsbar, Inc., Tempe, AZ

☐ *Third Place:* Ginsberg & Wong, Toronto, Ontario, Canada

Restaurant: average check under $5 per person

☐ *First Place:* McDuffy's Sportsbar, Inc., Tempe, AZ

☐ *Second Place:* Chez Piggy, Des Moines, IA

☐ *Third Place:* Pizza Hut, Harbor City, CA

Restaurant: average check $5-15 per person

☐ *First Place:* Dalts Grill, Dallas, TX

☐ *Second Place:* Manhattan on Forbes, Pittsburgh, PA

☐ *Third Place:* The Fishwife at Asilomar Beach, Pacific Grove, CA

Restaurant: average check over $15 per person

☐ *First Place:* Guaymas, San Francisco, CA

☐ *Second Place:* Dundee's on the Bay, Sarasota, FL

☐ *Third Place:* La Hacienda Restaurant, Scottsdale, AZ

Institutional Foodservice

☐ *First Place:* Bloomington Hospital, Bloomington, IN

☐ *Second Place:* Baptist Hospital of Miami, Miami, FL

☐ *Third Place:* Union Club Restaurant, The University of Arizona, Tucson, AZ

Banquet/Catering

☐ *First Place:* The Watergate Hotel, Washington DC

☐ *Second Place:* Creative Gourmets, Ltd., Charlestown, MA

☐ *Third Place:* Rochester Institute of Technology, School of Food, Hotel & Tourism Management, Rochester, NY

Specialty

☐ *First Place:* El Torito Restaurants, (Chubasco cantina menu), Irvine, CA

☐ *Second Place:* Willie C's Cafe and Bar (beer list), Wichita, KS

☐ *Third Place:* Brigham's, Inc. (kids' menu), Arlington, MA

Greatest Merchandising Power

☐ *First Place:* Bobby McGee's U.S.A., Inc., Phoenix, AZ

☐ *Second Place:* Chez Piggy, Des Moines, IA

☐ *Third Place:* T.G.I. Friday's, Inc., (summer menu), Dallas, TX

Most Imaginative

☐ *First Place:* Ginsberg & Wong, Toronto, Ontario, Canada

☐ *Second Place:* Monterey Bay Canners (wine list), Honolulu, HI

☐ *Third Place:* Bleachers, Spirit Lake, IA

Best Design

☐ *First Place:* Dalts Grill, Dallas, TX

☐ *Second Place:* Chancery, Wauwatusa, WI

☐ *Third Place:* Cucina! Cucina! Italian Cafe, Seattle, WA

1989 menu contest judges

☐ Bill Aumiller, Aumiller-Youngquist, P.C., Mount Prospect, IL

☐ Charles Bernstein, Editor, *Nation's Restaurant News*, New York, NY

☐ Ellen Brotman, Ellen I. Brotman Interior Designs, Inc., Fairfax, VA

☐ David Farkas, Features Editor, *Restaurant Hospitality* magazine, Cleveland, OH

☐ Jane Freiman, Contributing Editor and Restaurant Columnist, *New York Magazine*, New York, NY

☐ Robert Kelleter, Food Editor, *The Washington Post*, Washington DC

by Ken W. McCleary, Ph.D.

SO YOUR SENIOR WANTS TO GO TO A HOTEL AND RESTAURANT SCHOOL

Here are some pointers for parents of college bound seniors who have their eyes on a hospitality career.

Twenty years ago, the choice of a hotel and restaurant management program was limited to the few dozen schools with such programs. Today, there are more than 125 four-year programs listed in the Council on Hotel, Restaurant and Institutional Management's (CHRIE) Directory of Hotel and Restaurant Programs. And more programs are being added yearly as colleges and universities recognize the growth opportunities in the service sector. In the state of Michigan, for example, there was only one four-year degree-granting program in 1970. Today, there are five. With the proliferation of programs, how can parents sort through all the options with their college-bound children?

First, identify colleges/universities that meet geographic and programmatic criteria. (The National Restaurant Association, American Hotel and Motel Association, and CHRIE maintain lists of schools.) Then narrow choices to a manageable number of a dozen schools or less. Some guidelines follow.

Gauge the personality mix

All universities have personalities. Some are large and expansive; others, intimate. Some have a reputation for academic excellence; others for nuts-and-bolts technical expertise. By selecting a school that fits the personality of your student, you will facilitate an easier adjustment and increase your student's chances for success.

Consider the student's orientation

Consider your student's desired program orientation and preferred degree (business administration, food science, etc.). Some schools have a targeted focus, such as foodservice or hotel management, while others may include a mix of offerings as well as particular specialties, such as club management, casino management or tourism and convention management. If your student is interested strictly in food preparation, consider a culinary program. I have seen many frustrated chefs struggling through accounting, marketing and law courses in a management-oriented hospitality program.

Locate the program's "home"

Because hotel and restaurant management is not a pure discipline, programs are housed in a variety of subdivisions within universities. You can tell a lot about a program's orientation by locating its "home." For example, programs found in home economics departments are usually food-oriented in nature and provide technical knowledge. Programs found in business schools usually have fewer technical courses and a more management-oriented focus.

Study the curriculum. A good place to start is by requesting a copy of the degree and curriculum requirements from targeted programs. Examine the obvious match of orientation and courses—making sure that a management program contains courses in accounting, finance, personnel and law, for example. Once you have identified schools with promising curricula, take time to evaluate the facility.

Evaluate the faculty

Start by asking for the student/faculty ratio—a good indicator of how much personal attention the student will get. Other things to consider include:

☐ **1. Industry experience.** A knowledge of the real world gained through industry experience is essential for adding a "real-life" dimension to education. Some schools encourage professors to maintain currency through consulting activities, visitations or internships. Other institutions use adjunct or part-time faculty extensively. This works out fine as long as there are enough full-time faculty members to take care of the business of education, such as program plan-

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Dr. Ken McCleary is a professor of marketing and hospitality services administration at Central Michigan University. He has one son attending the University of Houston and another son at Michigan State University. A third son is currently a high school senior in the final throes of the college-selection dilemma.

ning and development, counseling and liaison with the rest of the university. Check the number of full-time versus part-time faculty members.

☐ **2. Degrees.** Whereas industry experience gives professors real-world perspective, advanced degrees provide the tools to create new techniques and to research problems. Therefore, a substantial proportion of the faculties at top programs will have masters' degrees and doctorates.

☐ **3. Research.** For any discipline to advance, it is necessary to conduct research on problems facing that discipline. Much of this research is conducted at universities. One reason for asking whether research is conducted at the school is to ascertain whether students have access to the latest information. The drawback of a strong research orientation may be that professors are away from the classroom and may limit students' access.

☐ **4. Publications.** Schools where the faculty has a good publishing record are generally well respected. But if too much emphasis is placed on "publish or perish," faculty may not place enough emphasis on teaching.

Assess the educational atmosphere

Look at general factors that can give you more information about the educational atmosphere. Some key indicators include:

☐ **1. Level of competition.** You can get a feel for how competitive a program is by looking at the average Scholastic Aptitude Test (SAT) or American College Test (ACT) scores of entering freshmen. There are books in most libraries and bookstores that provide this information for schools throughout the country. Schools where students have high scores usually expect students to be self-motivated and to require little faculty guidance. Students at these schools often stimulate each other's learning.

Schools with lower average scores, on the other hand, often provide a more supportive environment. However, it's possible for different programs within a university to have different average scores. Therefore, it is wise to ask the specific program office what the average scores are for enrolled students.

☐ **2. Size.** When assessing size, it is better to ask for the number of graduates each year than to ask for enrollment figures, because programs calculate enrollment in different ways. Then look at your student's needs. For example, larger programs may provide a greater variety of faculty, but smaller programs may provide more individual attention.

☐ **3. Internships.** Many programs require students to obtain industry experience, but not all internships are alike. Talk to the administrator of the internship program to determine how internships are secured, supervised and evaluated for college credit.

☐ **4. Placement.** Find out the job placement rate for graduates from the last few years. Ask whether the program keeps information on where graduates obtain jobs.

☐ **5. Accreditations.** Although hospitality educators have yet to develop their own accreditation standards, programs may be accredited by other agencies. The presence of a specialized accreditation does mean that the program has met certain additional standards deemed important by an association representing a specific field.

New CHRIE directory of schools

The Council on Hotel, Restaurant, and Institutional Education (CHRIE) is publishing a new directory of its member schools this month, in conjunction with John Wiley and Sons, Inc. of New York. The publication, entitled *The Guide to Hospitality and Tourism Education—A Directory of CHRIE Member Colleges and Universities,* will feature a full page of detailed information about every community college, technical institute, four-year college or university and graduate program that is an institutional member of CHRIE.

The directory will also contain background information about hospitality/tourism education, including a history, growth projections, a discussion of career opportunities and how to go about selecting a program. It will also include a geographical index by state and country.

The Guide to Hospitality and Tourism Education is sold through CHRIE, 1200 Seventeenth St., N.W., Washington DC 20036, for $14.95 plus $2.50 for postage and handling.

Visit the campus

Visit the campuses of the schools that meet most of your criteria. Make sure that the school provides access to appropriate facilities, such as food, preparation labs, kitchens and computers. For example, having a beautiful campus hotel that is not also used as a teaching laboratory doesn't do much to enhance a program. The same could be said for a university that owns lots of computers but severely limits students' access. On the other hand, a program that has few facilities of its own may have easy access to kitchens in dormitories and student centers.

Get a "feel" for the school; talk to program representatives, look at facilities and examine costs and financial aid. Be sure to ask a couple of students about their experiences while you are visiting campus.

Next, seek outside opinions. Don't rely solely on a school's reputation. Just as restaurants and hotels have their ups and downs, so do hospitality programs. The companies that hire graduates from various programs are good sources of information. They can comment on how well prepared graduates were. Go beyond alumni and those directly associated with a program for an unbiased evaluation.

Narrow down your choices

After you have considered the curricula, facilities and educational atmosphere, rank schools in order of how closely they fit your criteria. (Remember that it's unlikely you'll find a perfect match.) Then it's time to apply to those schools.

Finally, make a selection from the schools that accept your student. ❑

Editor's note: Many hotel and restaurant schools are represented on the Show floor. Take the time to visit them if your children are considering a hospitality career.

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Scams, con games and bogus schemes

Although a manager's most precious *organizational* resources are people, the most precious *personal* resource a manager has is *time*. How a manager spends his/her time or, more appropriately perhaps, how he/she "invests" it, determines, in large part, the success that manager will enjoy in reaching organizational objectives. One of the difficulties of managing time, of course, is that it is not exclusively under the control of the manager. Other people and other events affect it.

Over the years I have experienced scams, con games and bogus schemes that impinged on my time; and in conversations with other managers, I've found that they, too, have had similar experiences. Perhaps you'll recognize one or more of the following scenerios.

1. **Problem:** Your secretary is away from her desk. No one is covering the ringing phone and since it could be that "million-dollar phone call," you answer it. It's a commodities salesman telling you he has a great deal on a cocoa futures contract.

Disposition: You kick yourself for having answered the phone. You tell the salesman that although you are not in a position to "invest" now, you suggest he contact another person who would be anxious to purchase a contract. Then give the salesman the name and number of your local IRS agent.

2. **Problem:** An unannounced visitor from a fancy-sounding charity you haven't heard of is standing in your lobby and wants to see you. You know you are going to receive a request for a contribution.

Disposition: Go out and meet the visitor (don't have the meeting in your office). Tell the visitor about your aged mother in a nursing home, your sister who is raising seven children on her own and your derelict brother who hasn't done a lick of work in 20 years. Then hold the door open.

3. **Problem:** You take a call because your secretary states that the caller said he/she was referred to you by someone whom you hold in high regard or who has influence on you, such as a politician, an organizational superior, etc. The caller then relates some tale and winds up asking you to purchase some office supplies at "fire-sale" prices. You now recognize that unless you're careful, you could be hooked into a scam.

Disposition: Let the caller go through the whole spiel, then ask if you can put him or her on hold, so you can check your inventory. Come back a minute later and ask the caller to repeat the spiel. Put him/her on hold again. Come back on the line and tell the caller you have had the call traced and the police are on their way. You will hear an immediate "click." Keep the line "tied up," so it will cost the scam group as much as possible in telephone charges.

4. **Problem:** You take a call from someone who indicates that your organization is going to receive an award for some reason or other. The caller waxes eloquent about your company, then asks you to secure the award by buying an advertisement in the group's annual dinner program. This now confirms your original suspicion that the caller is a con artist.

Disposition: Tell the caller that your organization is not in a position to take an advertisement, but quickly add that you are president of a vigilante group called "Business Persons Against Fraudulent Schemes," and as a representative of that group, you would love to take an ad in the program. Ask the caller to give you the exact name, address and telephone number of his/her group, so you know exactly where to send the check. Expect to hear an immediate "click."

5. **Problem:** You receive a letter that indicates your organization has been carefully selected as a high-quality organization and that if you send a specified sum of money, you will receive a plaque and/or window decal that will declare to the world that you are part of this award-winning, exclusive group. (Check for any misspellings in the letter. These letters are usually put together rapidly and crudely.)

Disposition: Write back telling them that you are unworthy of the award or medallion, since the establishment has been closed for the past two years. Ask for the list of criteria used, and if you don't receive it in 10 days, tell them you'll notify the Better Business Bureau, Chamber of Commerce, the news media, the postal authorities, the FBI and the CIA. You won't have to worry about hearing from them again. Ever!

6. **Problem:** Your secretary says there is a call for you from "officer" somebody from some police force. You take the call (a little nervously), and "officer" somebody says the call is not official, that he is calling to see if you'll make a contribution to one of his activities, such as the patrolmen's picnic. Officer somebody may even precede his request by asking whether everything is OK with the police service you are receiving. (A veiled threat?)

Disposition: Tell officer somebody that the donations/contributions budget has been established for the year, and that one of the reasons you run a successful business is that you don't "go into the budget" during the year. Invite him to send a *written* request for your consideration (not prior approval) at some date that coincides with your planning process. Then tell him that the police service has been great and that you have every reason to believe that it will remain that way.

Fisher's Law #99: Treat business scams, con games and bogus schemes with the contempt and disrespect they truly deserve.

All about appetizers at tableservice restaurants

A new National Restaurant Association Gallup survey takes a look at what's happening with appetizers at both moderately-priced and higher-priced tableservice restaurants. The survey also looks at customers' favorites and provides insights into the demographic profiles of those likely to order different appetizers.

The association's 1989 Gallup study examined how likely consumers would be to order an appetizer for three different occasions—dinner at an expensive tableservice restaurant, dinner at a low-to-moderately-priced tableservice restaurant and lunch at a tableservice restaurant.

Consumers showed the greatest preference for ordering appetizers at dinner, especially at higher-priced tableservice restaurants. Forty percent of respondents said they were likely to select appetizers at a higher-priced establishment, compared to 25 percent who would do so at a low-to-moderately-priced restaurant.

Consumers showed less interest in ordering appetizers for lunch at a tableservice restaurant, with only 15 percent saying they would choose this alternative. In addition, more than six out of 10 respondents stated that they were not at all likely to select appetizers for lunch, compared with four out of 10 consumers at the evening meal.

According to another National Restaurant Association study, *Consumer Restaurant Behavior: A View Based on Occasion Segmentation*, consumers look for "great" appetizers when they dine out for either business/social obligations, a special time out or social fun, and when they want to satisfy some whim or to reward themselves.

In situations where cost is not the primary issue or when spoiling oneself is on the consumer's mind, patrons appear most likely to order appetizers. This would explain the higher proportion of diners saying they are more likely to order appetizers for dinner at expensive restaurants rather than elsewhere. Also, more expensive restaurants are likely to offer a greater variety of appetizers and emphasize them more on their menus than lower-priced establishments.

Favorite restaurant appetizers

Seafood cocktails top the list of appetizer favorites

	Percent of adults	
Appetizer items	**Likely to order**	**Not at all likely to order**
Seafood cocktails	47%	34%
Soup	42	26
Fresh fruit/fruit cup	36	30
Vegetable platter	36	32
Fruit/vegetable juice	35	38
Mexican appetizers	29	46
Cheese appetizers	28	38
Meat appetizers	28	39
Chicken wings/fingers/kabobs	25	41
Fried vegetables	23	45
Asian appetizers	23	47
Pizza appetizers	21	54
Potato skins	21	53
Pasta appetizers	21	47
Chili	17	58

Source: National Restaurant Association Gallup Survey, 1989

More appetizers on the menu

Today's restaurant patrons seem to have a wider variety of appetizers from which to choose. A recent study of menus conducted by the National Restaurant Association* shows that between 1982 and 1988 the number of appetizers on the menus reviewed grew from a total of 410 to 546—a 33 percent increase. Seafood sustained its top position, accounting for 25 percent of all appetizers in both 1982 and 1988.

Although soups, including chili, were the second-most-prevalent appetizers in 1988, their presence declined from 24 percent of the appetizers listed in 1982 to 19 percent in 1988. However, the number of ethnic soups (gazpacho, etc.) grew from 2 percent of all soups to 13 percent during the six-year period.

Like soups, vegetable-based appetizers lost share, falling from 21 percent in 1982 to 16 percent in 1988, but they remained the third-most-available appetizer in 1988. Fried vegetables accounted for most of the vegetable appetizers, followed by potato skins.

Mexican appetizers experienced the largest growth, accounting for 6 percent of appetizers in 1982 and 13 percent in 1988. In 1982 nachos accounted for the majority of Mexican-inspired appetizers. But in 1988 this old standby had been joined by more exotic choices like ceviche, quesadilla and Mexican pizza.

Meat and pasta each accounted for only 4 percent of the appetizers in 1988, but each grew about three percentage points between 1982 and 1988. Only four meat appetizers (less than 1 percent of the total) were on the menus in 1982, but the 1988 menus included a variety of choices. This expansion may reflect the trend toward consumption of smaller portions of meals. Similarly, only two pasta appetizers appeared in 1982, but this number had grown to 22 by 1988.

Cheese appetizers remained relatively stable, representing 4 percent of appetizer items in 1982 and 5 percent in 1988. Fried cheese was the most popular cheese item.

The presence of fruit appetizers and pates declined during the six-year period. In 1982 fruit appetizers accounted for 7 percent of this menu category. By 1988 a fruit appetizer appeared only on one menu. Pates, too, were more available in 1982 (3 percent) than 1988 (1 percent).

**Selected from those submitted to the National Restaurant Association's Great Menu Contest for analysis. Fifty were chosen from the 1982 entrants and 50 from 1988. This analysis of appetizers includes soups.*

Likelihood of ordering appetizers by age group

Younger age groups show a greater preference for appetizers

	Percent likely to order					
	All age groups	**18 to 24 yrs.**	**25 to 34 yrs.**	**35 to 49 yrs.**	**50 to 64 yrs.**	**65+ yrs.**
For dinner at an expensive tableservice restaurant	40%	53%	49%	44%	31%	21%
For dinner at a low-to-moderately-priced tableservice restaurant	25	31	33	24	21	15
For lunch at a tableservice restaurant	15	26	13	15	15	10

Source: National Restaurant Association Gallup Survey 1989

Swapping appetizers for entrees?

When asked if they were interested in substituting appetizers for an entree at either lunch or dinner, Gallup survey respondents showed only a moderate interest in this option. Fourteen percent said they were likely to order appetizers in lieu of an entree at dinner, and 11 percent said they would do so at lunch.

About two-thirds of the study participants stated that they were neither likely nor unlikely to swap appetizers for entrees at either lunch or dinner. Women did, however, show slightly greater interest than men in making the substitution.

Favorite appetizers

Survey respondents named seafood cocktails as their favorite appetizer item at restaurants; 47 percent said they were likely to order them. Soup followed closely behind, with 42 percent. Rounding out the list of the top five favorite appetizers were fresh fruit/fruit cup, vegetable platter and fruit/vegetable juice. Interestingly enough, despite the high level of patron interest in these items, soup, vegetables, and fruit appetizers are not showing up as frequently on today's menus as in years past (see sidebar).

Mexican appetizers were also well-liked among survey participants, with 29 percent stating that they were likely to order them. However, a relatively high proportion of consumers (46 percent) said that they were not at all likely to order Mexican appetizers.

Popular with younger diners

Among age groups, 18 to 24-year-olds showed the greatest interest in choosing appetizers for dinner at an expensive tableservice restaurant, with 53 percent responding that they were likely to pursue this option. Almost one out of every two consumers 25 to 34 years of age said they were prone to selecting appetizers. Survey results indicate that as consumers' age increased, the percentage

Who orders the various types of appetizers?

Seafood cocktails (crab, oyster, shrimp, etc.)
☐ Both men and women
☐ 35 to 49-year-olds
☐ Households with annual incomes over $30,000
☐ Consumers from the East

Soup
☐ Women
☐ 25 to 34-year-olds and those over 50 years of age
☐ Households with annual incomes between $15,000 and $30,000
☐ Consumers from the East

Fresh fruit/fruit cup
☐ Women
☐ 50 to 64-year-olds
☐ Households with annual incomes between $5,000 and $20,000
☐ Consumers from the East and South

Vegetable platter
☐ Women
☐ 25 to 49-year-olds
☐ Households with annual incomes between $15,000 and $20,000
☐ Consumers throughout the United States

Fruit/vegetable juice
☐ Women
☐ 50-year-olds and older
☐ Households with annual incomes less than $20,000
☐ Consumers from the East

Mexican appetizers (tacos, nachos, etc.)
☐ Both men and women
☐ 18 to 24-year-olds
☐ Households with annual incomes exceeding $30,000
☐ Consumers living in the South and West

Cheese (fried, baked or a platter of assorted cheeses)
☐ Women
☐ 18 to 34-year-olds
☐ Consumers living in the South, Midwest and East

Meat appetizers (ribs, meatballs, kabobs, etc.)
☐ Men
☐ 18 to 24-year-olds
☐ Households with annual incomes less than $30,000
☐ Consumers living in the Midwest, South and West

Chicken wings/fingers/kabobs
☐ Men
☐ 18 to 24-year-olds
☐ Consumers living in the South, West and East

Fried vegetables
☐ Women
☐ 25 to 49-year-olds
☐ Consumers living in the South, East and West

Asian appetizers (egg rolls, wontons, etc.)
☐ Both men and women
☐ 18 to 24-year-olds
☐ Households with annual incomes more than $20,000
☐ Consumers living in the West and Midwest

Pizza appetizers
☐ Women
☐ 18 to 24-year-olds
☐ Households with annual incomes less than $15,000
☐ Consumers living in the West, South and Midwest

Potato skins
☐ Both men and women
☐ 25 to 49-year-olds
☐ Consumers across the United States

Pasta appetizers
☐ Both men and women
☐ 18 to 24-year-olds
☐ Households with annual incomes between $20,000 and $30,000
☐ Consumers living in the West and East

Chili
☐ Men
☐ 18 to 34-year-olds
☐ Households with annual incomes less than $20,000
☐ Consumers living in the Midwest and West

who wished to order appetizers in expensive restaurants declined.

A similar pattern emerged in examining consumer interest in purchasing appetizers at dinner at a low-to-moderately-priced tableservice restaurant. Interest in before-meal treats was greatest among younger adults, with approximately one out of three study participants 18 to 34 years old replying that they were likely to select pre-entree tidbits. As age increased, the proportion of consumers likely to order appetizers declined.

When eating lunch at tableservice restaurants, 18 to 24-year-olds showed by far the greatest preference among age groups for ordering appetizers. One out of four in this age group was likely to go for the pre-entree bite. Among other age groups, no more than 15 percent of adults said they were likely to order appetizers.

A regional bias

When eating dinner at an expensive tableservice restaurant, consumers from the eastern region of the United States showed the greatest preference for ordering appetizers (46 percent) and those from the South showed the least interest (36 percent). Forty-two percent of adults in the West and 39 percent of those in the Midwest said they were inclined to select appetizers.

However, when dining out at dinner at a low-to-moderately-priced establishment, approximately one out of four consumers indicated that he or she would order appetizers. Little difference was evident on a regional basis.

—Sebastian O'Kelly

Beefy appetizers

Restaurateurs can take advantage of the trend to eat smaller portions of meat by adding meat appetizers to their menus. Reduced-sized portions of appetizers may be just enough to satisfy patrons' desire for something meaty. Plus, smaller meat portions provide many of meat's nutritional benefits without hefty doses of calories and fat. Nutritionists agree that small portions of lean red meat are excellent ways to stock up on hard-to-get nutrients like iron, zinc and vitamin B_{12}.

Adding meat to appetizers also can boost check averages that may be sagging due to declining orders for meat entrees. And appetizers offer good experimental opportunities for both chefs and patrons. Chefs can test the reception of new recipes, and patrons can try small portions of unfamiliar foods.

Anthony Hermann, owner of Newport Beach, California's Bouzy Rouge Cafe, reports that his mini lamb "souvlakia" was originally featured as a tapa, but was so popular that he now offers it as an entree as well. He claims that signature items do better in his 90-seat bistro/cafe than run-of-the mill appetizers. "Some feel that the appetizer or tapas concept is passe, but I still believe in it. Appetizers support my wine-by-the glass program, and meat appetizers really help to sell red wines." But he cautions that meat appetizer sales can be seasonal and are more popular in colder weather.

Tom Meyer, corporate chef of Washington DC-based Clydes Restaurant Group, admits to being emotional on the subject of meat appetizers. "They certainly are hard to find. There are a lot of seafood appetizers but not many meat appetizers out there. I think restaurateurs are missing the boat by not marketing them. People are eating less meat, but I don't think they have sworn it off completely. A large plate of meat may not excite them, but a lot of people still want a taste of meat," he says. Meyer has developed a sirloin-and-mozzarella appetizer that has been very well received. "I pocket the mozzarella in the sirloin then wrap it in pancetta or bacon. Then I skewer the bundles, separating them with bay leaves, which gives them a really nice flavor during grilling. I serve the bundles with a roast pepper sauce."

BEEF PINWHEELS

Serves 24

Ingredients:
3 lbs. flank steak
1 oz. pimiento, chopped
¾ oz. parmesan cheese, grated
2 Tbs. parsley, chopped
2 Tbs. Dijon-style mustard
½ tspn. pepper
3 Tbs. vegetable oil
4 cloves garlic, pressed
Salt and pepper as needed

Method:

Mix pimiento, cheese, parsley, mustard and pepper to blend. Spread over one side of steak, dividing equally. Starting from long side, roll each piece tightly, as for a jelly roll. Season outside of meat with salt and pepper.

Place seam side down; cut into 24 slices, ¾ to 1-inch thick. Thread onto bamboo skewers. Mix oil and garlic; brush lightly over pinwheels. Grill or broil to desired doneness. Garnish with additional chopped parsley.

—Beef Industry Council

TEX-MEX MEATBALLS

Yields 20-24 meatballs

Ingredients:
1 lb. ground beef
1 cup dry bread crumbs
3 ozs. onion, chopped fine
1 egg
¼ cup milk
3 ozs. shredded Monterey Jack Cheese*
2 jalapeno chiles*
Salt and pepper to taste

Method:

Mix all ingredients and blend well. Shape into 1¼-inch balls. Place on baking sheet. Bake in 325°F oven for 15 minutes. *Do not* overcook. Meatballs should be moist and *not charred.* Remove from baking sheet after taking from oven so they will not stick. Store in refrigerator. Serve with tomato salsa.

**Jalapeno Monterey Jack Cheese can be used to replace chile peppers.*

—Pufferbelly, Ltd.

At the 105-seat Pufferbelly restaurant in Berea, Ohio, chef Bob Sutton offers a variety of appetizers, including beef yakitori and mushrooms stuffed with spicy Italian sausage. Many of his customers make a meal of these items. "I don't know whether it's because of taste, health or economic concerns," chef Sutton wonders. But he keeps adding to his selection. Working with a consultant, Sutton developed his Tex-Mex meatballs, a combination of beef, jalapeno peppers, cheese and bread crumbs served on tomato salsa.

—Claire Regan, R.D.

Spotlight on U.S. pleasure travel

The second in a series on travel and tourism, this article focuses on domestic pleasure travel, examining tourist destinations, trip duration, traveler demographics, season of travel and mode of transportation. A closeup look at the booming weekend travel market is also included.

Not long ago, the word "vacation" meant piling the kids into the family station wagon and taking off on a one or two-week trip. Although the stereotypical U.S. family vacation is far from extinct, Americans are planning vacation trips around everything from marathon runs to wine-tasting weekends. And these vacations tend to be shorter and more frequent.

More, shorter trips[1]

One of the most notable trends in pleasure or vacation travel is that the number of trips is increasing while the number of nights spent away from home is decreasing. Preliminary 1988 figures from the U.S. Travel Data Center show that the number of vacation person-trips[2] was up 8.4 percent in 1988. At the same time, the number of vacation person-nights[3] remained flat.

However, the average duration of vacation trips has been consistently declining since 1983, when it was 6.0 nights. In 1988, the average duration was 4.8 nights.

Part of the decline in vacation duration can be attributed to an increase in vacation trips taken over a weekend. According to the U.S. Travel Data Center, weekend vacation trips increased 10.6 percent in 1988 and 30 percent between 1984 and 1988. By comparison, the number of nonweekend vacations—both short and long—increased 15 percent between 1984 and 1988.

Who is the average traveler?

According to the U.S. Travel Data Center 1987 Travel Survey, 57 percent of pleasure travelers were married, and more were women than men—53 percent versus 47 percent.

Three out of four pleasure travelers were between 18 and 54 years of age, with the average traveler being 41 years old. Most pleasure travelers (85 percent) had at least a high school diploma, and 47 percent were employed in professional, managerial, technical, clerical or sales occupations.

U.S. travel away from home,* 1987–88

Weekend vacation travel showed the most growth between 1987 and 1988

	Millions of 1988 person-trips**	Percent change 1987–1988
Total	1,241	4.2
Visit friends/relatives	426	–2.5
Outdoor recreation/ entertainment	509	9.5
Vacation	840	8.4
All weekend trips	576	3.0
Weekend vacation	420	10.6

* *includes both foreign and domestic destinations of U.S. citizens*
** *preliminary*

Source: US Travel Data Center

Different patterns

Since individual lifestyles affect vacation patterns, different types of vacations attract different groups of consumers. According to a recent study of the family vacation travel market by *Better Homes and Gardens*, the largest percentage of two-earner households falls into the weekend traveler segment. Juggling the organization of vacation time may be one of the primary reasons more dual-earner households take weekend rather than long vacations or vacations during the week (see sidebar).

According to a 1986 study by the Marriott Corporation on the leisure

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[1] *Pleasure trips include, but are not limited to vacation trips. Pleasure trips exclude trips taken for the purposes of business or conventions.*

[2] *A trip is defined as each time one adult travels to any destination at least 100 miles from home (one way) and returns. A person-trip is defined as every time a person goes on a trip. Hence, if three people from one household went together on one trip, it would count as one trip, but three person-trips.*

[3] *A person-night, like a person trip, is one person spending one night away.*

Most travelers go by car

Most travelers drive to a vacation site. According to *Better Homes and Gardens* research, an automobile, a truck or a recreational vehicle was the mode of transportation for at least eight out of 10 family vacation person-trips in each season in 1987-88.

In 1987, the U.S. Travel Data Center estimated that 57 percent of person-trips that were taken by plane lasted four or more nights. In contrast, 54 percent of the person-trips that were taken by car lasted between one and three nights. Similarly, 65 percent of trips 1,000 or more miles long were taken by plane, compared with just 15 percent by car. In comparison, only 22 percent of airline trips were between 200 and 999 miles, compared with 83 percent of car trips.

For those traveling by car, the average trip length was shorter (4.5 nights) than for those traveling by plane (6.9 nights). Those traveling by car also spent fewer nights in the homes of friends and relatives than those traveling by plane. In 1987, the average automobile traveler spent 3.8 nights with friends and family and 3.5 nights at hotels, motels and motor hotels. In 1987, airline travelers spent an average of 6.4 nights with friends and relatives and only 4.6 nights in commercial lodgings.

travel market, senior citizens favored short vacations, and they were more likely to take them during the week than on the weekend.

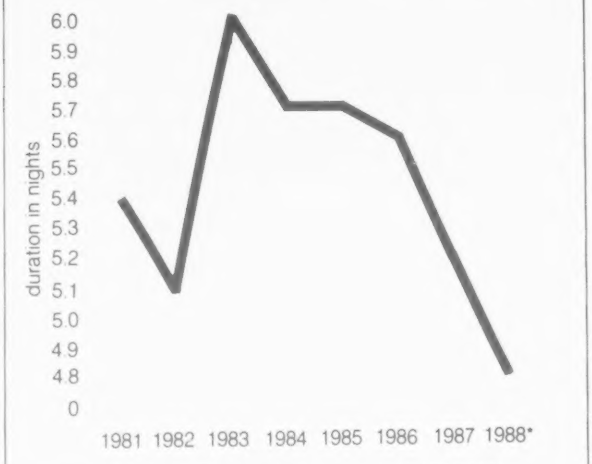
Summer: top season

Regardless of the duration of the trip, summer is still the most popular time for vacations. In 1988, 38 percent of all vacation person-trips were taken in June, July or August, and 73 percent of person-trips taken in these months were for vacations. The largest number of vacation person-trips was taken during July—14 percent of the total in 1988.

The fewest vacation trips were taken during the spring months. Vacation travel in March, April and May accounted for 21 percent of vacation person-trips taken in 1988.

Average length of vacation trips

Vacation duration has declined since 1983



Source: U.S. Travel Data Center

*preliminary

South: most comings and goings

Heading south is not only popular for the winter. The South Atlantic states—Delaware, District of Columbia, Florida, Georgia, Maryland, North Carolina, South Carolina, Virginia, West Virginia—are a popular destination year round; they attracted one of five pleasure trips in 1987.

The South Atlantic states were also the leading region of traveler origin in 1987. Almost two out of 10 vacation travelers in 1987 (18 percent) came from these states. Close behind were residents of the East North Central states—Indiana, Illinois, Michigan, Ohio and Wisconsin—who represented 16 percent of 1987 vacation travelers.

Although the New England states—Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island and Vermont—were not among the top destinations of pleasure travelers, they are notable for attracting a large number of educated and affluent visitors. In 1987, 41 percent of the travelers to the region had completed college or graduate work, and 46 percent had annual family incomes over $40,000. This compares with 30 percent of all U.S. travelers who had at least a college degree and 32 percent who had a family income exceeding $40,000 a year.

Fewer visits to friends and relatives

Although many of those traveling in the United States stay with their friends and relatives while traveling, visits to these groups is less of a reason for going on a trip than it was in the past. According to the U.S. Travel Data Center, visits to friends and relatives declined 2.5 percent in 1988, after a decline of 1.9 percent in 1987. Those over 55 years of age were most likely to schedule a trip to visit friends or relatives—42 percent.

Meanwhile, the number of trips taken for outdoor recreation and entertainment purposes grew 9.5 percent in 1988. This marked the second consecutive year of high growth. More than four out of 10 travelers between 18 and 54 years of age took trips for this purpose in 1987.

—Nancy Michalski

Closeup

Weekend pleasure travel

According to the U.S. Travel Data Center, roughly half of all vacation trips in 1988 were considered weekend vacations—trips of one to five nights in duration taking place over a weekend but excluding day trips. Weekend travel is particularly attractive to relatively young, affluent individuals. The U.S. Travel Data Center estimated that in 1987, 33 percent of weekend travelers had a family income over $40,000 and 42 percent were between 25 and 44 years of age. Almost four out of five weekend trips (79 percent) were taken without children. In addition, a study performed for *Better Homes & Gardens* magazine showed that 62 percent of weekend trips were taken by members of households with two or more wage earners.

"Getting away"

According to a recent study by the Marriott Corporation on the leisure travel market, one out of five respondents (23 percent) took a weekend vacation trip primarily to get away from it all. "Getting away from it all" was much more prominently mentioned by those with an annual income greater than $20,000, by individuals under 55 years of age and by dual-income households.

"Getting away from it all" doesn't necessarily imply that the weekend trips are inactive. According to Marriott's study, four out of 10 people who go away for a weekend go sightseeing. For those who take weekend trips in the summer, swimming is the second-most-popular activity (36 percent), and skiing is the second most popular winter weekend activity (26 percent).

"Disappointing food"

The Marriott study also indicated that dining out is a popular activity on weekend excursions, no matter when the trip is taken. However, when asked about problems encountered with weekend travel, almost six out of 10 (59 percent) mentioned that they had encountered disappointing food. That number jumps to 71 percent among affluent, educated respondents* or those residing in the West.

**Includes those households with an annual family income between $30,000 and $39,999 in which at least one adult has a college degree, or households earning more than $40,000.*

Hotel restaurant operations data

This special analysis of the National Restaurant Association's 1988 industry operations survey examines operating data for hotel restaurants.

For the first time, restaurant industry operations data compiled by the association's annual survey are now available for restaurants located in or attached to a hotel.

Lower sales but higher checks

According to the association's analysis of the operations survey data, in 1987 hotel restaurants posted per-seat median sales of $2,925. In comparison, all tableservice respondents reported per-seat median sales of $4,453.

Hotel restaurant respondents reported median food sales per seat of $2,656 and median alcoholic-beverage sales of $629 per seat. Food and beverage costs at hotel dining establishments accounted for 35 percent of sales in 1987, the same proportion as for all tableservice participants.

Although hotel restaurants posted lower per-seat median sales than did all tableservice respondents, hotel establishments did report higher average checks—$11 for hotel restaurants, compared to $8 for all tableservice operators.

Controllable expense ratio higher

In 1987 hotel restaurants posted a median profit of $94 per seat, or 3 percent of total sales. In comparison, all tableservice respondents reported a median profit of $213 per seat, or 5 percent of total sales. One important factor in this difference is related to hotel restaurants' controllable expenses.

Controllable expenses are the costs that are most directly influenced by operating policy and management efficiency; they include major expenses, such as salaries and wages, employee benefits and utility costs. For 1987, hotel restaurant participants reported that controllable expenses were 52 percent of total sales, compared to a lower 48 percent for all tableservice participants. Payroll, employee benefits, music and entertainment costs appear to be responsible for this variance.

Hotel restaurant participants posted payroll expenses at 31 percent of sales, benefit costs at 6 percent of sales, and music and entertainment costs at $35 per seat. In contrast, all tableservice restaurant participants reported payroll expenses at 28 percent of sales, benefit costs at 2 percent of sales, and music and entertainment expenses at $21 per seat.

Larger staffs at hotel restaurants

Hotel restaurant respondents reported 34 full-time-equivalent employees in 1987, compared to a lower 26 for all tableservice respondents. Also, hotel dining establishments employed 15 full-time-equivalent workers per 100 average daily covers, versus 11 for all tableservice establishments.

Median total sales per full-time equivalent employee for hotel restaurants in 1987 were $27,574, compared to $28,719 for all tableservice participants.

—Hudson Riehle

Selected income and expenses* for hotel restaurants in 1987

The median restaurant profit was $94 per seat

	Amount per seat	Ratio to sales**
Total sales	$2,925	—
Total cost of sales	987	35%
Gross profit	1,981	65
Total income	2,161	67
Controllable expenses		
Payroll	1,004	31
Employee benefits	134	6
Direct-operating expenses	250	7
Music & entertainment	35	1
Advertising & promotions	42	2
Utilities	159	4
Administrative & general	127	4
Repairs & maintenance	50	2
Total controllable expenses	*1,775*	*52*
Occupation costs		
Rent	190	6
Property taxes	31	1
Other taxes	14	***
Property insurance	54	2
Total occupation costs	*238*	*7*
Income before interest & depreciation	128	5
Interest	62	2
Depreciation	145	3
Restaurant profit	$ 94	3%

**Median values*
***All ratios are based as a percentage of total sales.*
****Less than one percent*

Source: National Restaurant Association *Restaurant Industry Operations Survey, 1988*

Lodging foodservice sales to grow

The National Restaurant Association forecasts that food and drink sales at lodging establishments (which include hotel, motor hotel and motel restaurants) will advance to $13.9 billion in 1989—up 6.7 percent over 1988.

Restaurants in hotels should post sales of $11.8 billion, capturing more than 84 percent of the 1989 lodging foodservice market. This represents a real sales gain of 2.7 percent.

Motel restaurants are forecast to have food and drink sales of $1.3 billion, and motor hotel restaurant sales will grow to $851 million.

Update on upscale restaurants

This article examines the upscale restaurant segment, including traffic, demographics of frequent upscale patrons, consumer-desired amenities, reservations and no-show policies.

As competition grows fiercer in the upscale segment, restaurant operators know that they must differentiate themselves from the competition. Many upscale establishments have therefore begun to offer a variety of amenities to respond to the special needs of patrons. Just what are those needs?

What customers want

A 1988 National Restaurant Association Gallup Survey investigated the needs of upscale patrons. Separate smoking and nonsmoking sections were of interest to more than three out of four tableservice restaurant patrons (78 percent). Other features that were of particular interest to tableservice restaurant patrons included nutritious menu items (76 percent), children's menu items (67 percent) and self-service salad or food bars (71 percent).

In addition, six out of 10 consumers surveyed were interested in on-premises baking, daily menu changes, and seasonal menu features. About half of those questioned expressed interest in display cooking, dessert displays and live entertainment/music.

How have upscale restaurateurs responded to fulfilling these customer desires? The National Restaurant Association Tableservice Operator Survey indicates that many upscale establishments offer these amenities (see chart).

Tableservice restaurant features by per-person dinner check size

Most upscale restaurants offer seasonal menu features

	Restaurants providing features by check size	
Restaurant features	**$15-$24.99**	**$25 and over**
Seasonal menu features	80%	93%
On-premises baking	70	84
On-premises catering	68	66
Daily menu changes	65	67
Children's menu items	60	31
Sections for smokers and nonsmokers	56	54
Dessert display	36	59
Nutritious menu items	33	49
Live entertainment/music	47	44
Display cooking	42	50
Salad/food bar	19	14
Amenities for single diners	25	36

Source: National Restaurant Association Tableservice Operator Survey, 1988

Handling reservations and no-shows

Another amenity that many upscale restaurants offer is reservations. On the basis of the association's *Tableservice Operator Survey,* virtually all upscale restaurants with a per-person check average exceeding $25 (96 percent) and more than three out of four establishments with a per-person check average between $15 and $24.99 (77 percent) accepted dinner reservations.

Moreover, the tableservice survey indicated that at least seven out of 10* restaurants with a per-person check average over $15 took a customer's phone number when accepting reservations, and roughly two out of three accepted reservations only from a member of the dining party. More than half (51 percent with a check average between $15 and $24.99 and 73 percent with a check average over $25) called the patron to confirm reservations. Fewer establishments asked the customer to call and confirm reservations. Taking a customer's credit-card number when accepting reservations was done by just one out of every 10 of the responding upscale tableservice establishments.

One of the inherent risks of accepting reservations is patrons who do not show up, leaving a table empty. According to the association's *1988 Restaurant Industry Operations Report,* the median seat turnover in fullservice establishments with a per-person check average of more than $10 was only 0.9. Thus, if a table is reserved and the patrons do not show up, it is likely that the table will not be used, leading to a loss of revenue.

Even though the cost of no-shows can be high, particularly among upscale establishments, few restaurants have no-show policies. The *Tableservice Operator Survey* found that 76 percent of responding establishments with a per-person check average between $15 and $24.99 and 48 percent of respondents with a per-person check average more than $25 did not have a no-show policy. Among restaurants surveyed that did accept reservations, the most popular policy for controlling no-shows was to hold the reservation for only a specified period of time. One possible way to fight no-shows is to educate patrons that no-shows have a hidden cost that ultimately affects them.

Upscale patron demographics

Who are the most frequent patrons of upscale establishments and how do they make their decision to dine at these restaurants?

According to the association's study, *Dinner Decision Making: A Consumer Attitude Survey,* the decision to dine at an upscale restaurant is made well in advance of going to the establishment. Almost half of the respondents who patronized an upscale eatery (48 percent) said that the decision was made a day or more in advance. By comparison, only 18 percent of those surveyed decided on eating at a fine restaurant less than one hour ahead.

Moreover, there are certain consumer decision scenarios surrounding the decision to eat at an upscale establishment. Association research indicates that nearly six out of 10 respondents perceive dining at an upscale restaurant as providing a good time.

** based on establishments that accept reservations*

Amenities consumers look for at tableservice restaurants

More than three out of four consumers are interested in separate smoking/non-smoking sections

Amenity	**Percent interested in amenity**
Separate smoking/non-smoking sections	78%
Nutritious menu items	76
Food or salad bar	71
Children's menu	67
On-premises baking	65
Seasonal menu features	62
Daily menu changes	60
Display cooking	53
Dessert display	52
Live entertainment	48

Source: National Restaurant Association Gallup Survey, 1988

Reservations policy* by per-person dinner check size

Most restaurants take a customer's phone number when accepting reservations

	Restaurants providing features by check size	
Proportion which:	**$15-$24.99**	**$25 and over**
Take customer's phone number	70%	86%
Accept reservation from member of dining party only	63	67
Ask customer to call and confirm	24	44
Call patron to confirm	51	73
Take credit card number	13	10

*based on those accepting reservations

Source: National Restaurant Association Tableservice Operator Survey, 1988

Attributes such as food quality, cleanliness, friendly service staff, fresh food/ingredients and the perception that the restaurant was a nice place were considered to be particularly important to this group when choosing a restaurant. An additional one out of five consumers went to an upscale restaurant because it offered "a nice meal out." At upscale establishments, the idea of having an enjoyable evening with good food and good service is more important than speed of service. The study revealed that upscale dinner patrons, on average, spent more than an hour dining at the establishment.

Here are other interesting upscale restaurant patron demographics:

☐ Upscale restaurants are most popular with consumers between the ages of 40 and 60, with those whose annual family income exceeds $30,000, with singles, with men, and with those living in metropolitan areas.

☐ Upscale restaurant patrons enjoy dining in small groups more than dining alone or in couples. Almost six out of 10 survey respondents (59 percent) patronized an upscale eatery in a party of three or more persons. In comparison, 39 percent of upscale patrons dined with a single companion, and only 2 percent dined alone.

☐ Children were not frequent dinner companions at upscale restaurants. Less than one out of four consumers dined at upscale restaurants with children.

—*Nancy Michalski*

How to order the studies

Tableservice Restaurant Trends, 1989 (CS 500)—which includes the Tableservice Operator Study and the National Restaurant Association Gallup Survey—is available to association members for $30 and nonmembers for $60. *Dinner Decision Making: A Consumer Attitude Survey* (CS 450) is available for $25 to association members and $50 to nonmembers. *Restaurant Industry Operations Report, 1988* (CS 958) is available to members for $30 and to nonmembers for $60 plus 10 percent for postage and handling. All orders must be prepaid.

To order, send a check or money order to the National Restaurant Association Publications Department, 1200 Seventeenth Street, N.W., Washington DC 20036. *Note:* Washington DC residents must add 6 percent sales tax to their orders; Illinois residents must add 7 percent; and residents of Chicago must add 8 percent.

Credit-card orders are accepted over the phone for orders over $10. Call the association's Information Service and Library between 9 a.m. and 5 p.m. (Eastern Daylight Time) at 1-800-424-5156 or (202) 331-5900 in Washington.

CREST* upscale-restaurant performance

☐ **Customer traffic:** Total upscale traffic declined 1.4 percent in 1988. This compares with a 1.8 percent growth in customer counts at fast food establishments and a 2.4 percent decrease in traffic at midscale eateries. Since 1984, upscale customer counts have remained flat.

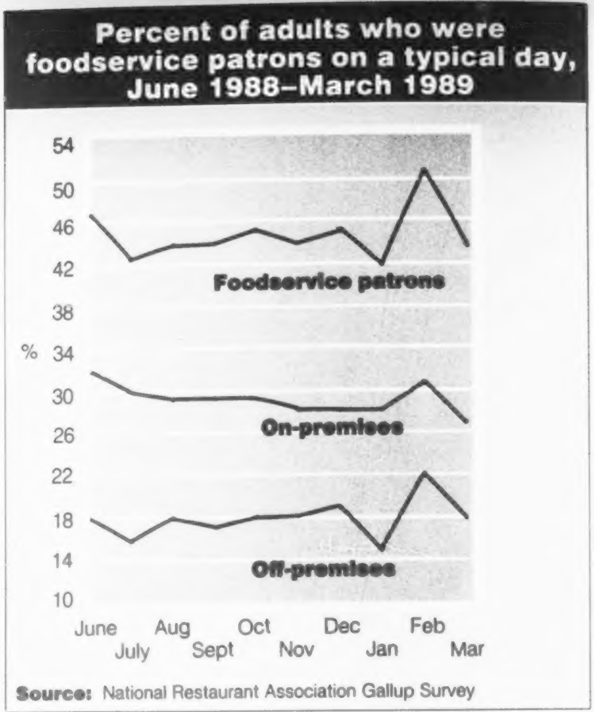
Higher-check upscale establishments fared better than moderate-check upscale eateries in 1988, with a 4.5 percent increase in traffic. Moderate-check upscale restaurants posted a 3.4 percent decline in customer counts. On-premises upscale traffic declined 2 percent in 1988, compared with 1987.

However, off-premises upscale traffic grew by 4 percent in 1988, compared with a 13 percent gain in 1987. Significant growth in both carryout (up 6 percent in 1988) and delivery (up 14 percent in 1988) compensated for some of the decline in on-premises traffic.

☐ **Segment report:** Italian restaurants showed the highest growth among all upscale restaurants, posting more than a 10 percent increase in customer traffic, largely due to advances in lunch traffic. Mexican restaurants experienced a 5 percent increase in customer traffic, also largely a result of lunch traffic increases. Upscale Asian, seafood, steak and varied-menu restaurants all showed declines in customer traffic in 1988.

**CREST stands for Consumer Reports on Eating Share Trends, a diary survey conducted by one of the NPD marketing and research companies.*

Foodservice Market Measure–March '89


Percent of adults who were foodservice patrons on a typical day, June 1988–March 1989

Source: National Restaurant Association Gallup Survey

Fewer adults were foodservice patrons on a typical day in March 1989—44 percent—than they were in February, when nearly 51 percent reported that they patronized a restaurant, fast food place, cafeteria or other place where they purchased a meal or snack. (March patronage was more in keeping with what had been reported in the period between June 1988 and January 1989.)

Of particular note is the significant decline in off-premises patronage—from 22 percent of adults in February to 15 percent in March. This decline was largely due to a slip in dinner takeout and delivery patronage.

In contrast, the proportion of adults who ate dinner on premises edged up slightly in March, reaching the highest level since September 1988. Continuing its pattern of sluggish performance, on-premises lunch patronage dipped to its lowest level in the 10-month history of the Market Measure.

Winter demographics

On a typical winter day, 29 percent of adults ate at a restaurant, and 19 percent purchased food to go or for delivery. Overall, 46 percent of adults patronized a restaurant at least once on a typical winter day, similar to the 44 percent who did so in the fall and 45 percent who did so in the summer. Nevertheless, the proportion of adults who purchased more than one meal from a foodservice establishment on a typical day dropped further to 7 percent in the winter months, compared to 10 percent in the fall and 13 percent in the summer.

☐ **Sex:** Little change has occurred in patronage by sex; males remain significantly more likely than females to patronize foodservice establishments.

☐ **Income:** The new income scale used in winter suggests that after consumers reach an annual income of $30,000, there is little increase in propensity to eat out as income rises.

☐ **Age:** Since the summer months, there has been a small increase in patronage by 50 to 64-year-olds as well as by young consumers 18 to 24 years old.

☐ **Region:** Almost all the gain in foodservice patronage in the West is due to a significant increase in takeout and delivery. The proportion of adults who purchased takeout food was up from 13 percent in the summer to 19 percent in the winter. Little change is evident in other regions.

—Susan Mills

Demographics of eating-out behavior, winter 1989

	Percent of adults who were foodservice patrons		
	Summer 1988	**Fall 1988**	**Winter 1989**
Sex			
Male	50%	50%	51%
Female	41	39	42
Annual Income*			
Less than $20,000	—	—	39
$20,000 to $29,999	—	—	48
$30,000 to $39,999	—	—	52
$40,000+	—	—	53
Age			
18 to 24 years old	51	61	58
25 to 34 years old	53	46	52
35 to 49 years old	50	49	48
50 to 64 years old	38	40	43
65 years or older	28	26	28
Region			
East	46	42	44
Midwest	48	46	46
South	43	45	46
West	42	44	49

Notes: *Data refer to a typical day*
Summer = June, July, August
Fall = September, October, November
Winter = December, January, February

**A different income breakdown was used in the summer and fall*

Source: National Restaurant Association Gallup Survey

Foodservice Market Measure

The Foodservice Market Measure is based on 1,000 telephone interviews, conducted by the Gallup Organization each month, with a nationally representative sample of adults age 18 and older. Each person is asked the same questions:

1. Which of the following did you do yesterday?

☐ Ate on the premises of a restaurant, fast food place, cafeteria or any other place where you purchased a meal or snack.

☐ Purchased takeout food "to go" or had it delivered.

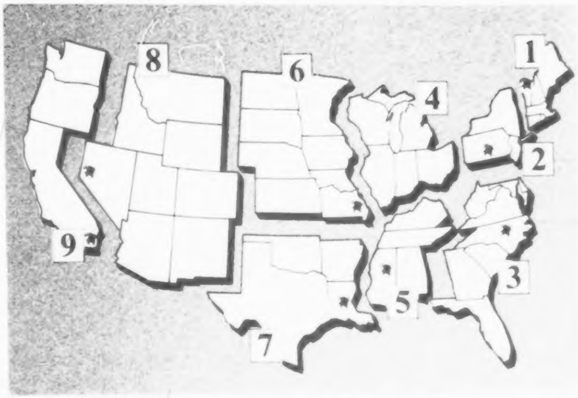
2. Was the food you ate on premises yesterday for breakfast, lunch, dinner or a snack?

3. Was the takeout food you purchased or had delivered for breakfast, lunch, dinner or a snack?

The monthly tracking of purchases is supplemented by quarterly inquiries on topics of industry interest.

Here comes the bride

There are as many different kinds of wedding celebrations as there are regional and ethnic differences and budgets. Here's a sample.



1 NEW ENGLAND

Location: Newport, VT
Association members: Chet Greenwood, Barbara Chimileski, Terrence Burdick
Operation: The Landing Restaurant
Profile: Fullservice restaurant on lake
In business: 10 years
Seats: 175-200

The Landing uses its main dining room for private parties, channeling regular customers to the lounge or outside patio. In summer, the restaurant's peak period, wedding parties are limited to afternoons.

Bridal couples come to The Landing from Newport and from Quebec (Canada) townships a few miles across the border. Attracted by the waterfront location, they often have their ceremony on the patio or dock and move inside for the reception. Most opt for a sit-down dinner, with dancing afterward.

Because the dining room's windows overlook such a beautiful lake view, most couples don't want any extra decoration; but if they do, manager **Chet Greenwood** will provide it for them. Greenwood also tries hard to take as much pressure off the bride and groom as possible, even helping with wedding services.

2 MID-ATLANTIC

Location: Middletown, PA
Association members: Alfred Pellegrini, Robin Kauffman
Operation: Alfred's Victorian
Profile: Fullservice restaurant
In business: 20 years
Seats: 132

Alfred's Victorian, housed in an old brownstone, offers wedding parties a touch of nostalgia, thanks to Victorian decor in its three downstairs dining rooms and a livelier Gay-90s atmosphere in its upstairs room. According to manager **Robin Kauffman,** the rooms don't need much further decorating, but fresh flowers from the restaurant's garden add a special touch.

Kauffman customizes a menu for each party. Many couples opt for the Northern Italian dishes for which the restaurant is known. *Stracciatella*—known as The Wedding Soup—is often part of the dinners. As a keepsake, a copy of a special commemorative menu is placed at each setting. It contains the names of the dishes served, the names of the bride and groom, and the wedding date.

Region 3 Special

Weddings fit for a princess

The bride was lowered from the ceiling in a gold cage, curtains hiding her from view. When the cage came to rest on a raised platform, she stepped out and began her processional . So began a nightlong extravaganza at one wedding held last year at Washington DC's Mayflower Hotel.

The Mayflower handles wedding parties of all sizes, but because of its elegant 7,900-square-foot ballroom with its 21-foot-high ceiling decorated with 23-karat gold leaf, the hotel has particular appeal for those wanting a larger, more elaborate celebration.

In addition to the ballroom, the Mayflower is able to offer gold-rimmed china and goblets—although with goblets costing between $50 and $60 each, the precious ware is not brought out for every occasion. There is also a collection of antique silver, dating back to the early days of the 63-year-old hotel.

Every bridal-party menu at the Mayflower is personalized, based on the tastes of the bride and her family and on what the chef does well. The kitchen is also willing to reproduce a family recipe. Catering manager **Wendy Raab** sometimes arranges for a tasting session to help her clients make their food decisions.

Raab says she's noticed a trend back to traditional basic, simpler foods.

4 EAST NORTH CENTRAL

Location: Chicago, IL
Association member: Bobbie Dylo
Operation: Stouffer Hamilton Hotel
Profile: Hotel catering
Seats: Facilities accommodate 10 to 1,000
In business: 8 years

The personality of the catering manager is one of the most important factors in the wedding business. At the Stouffer Hamilton Hotel, catering manager **Bobbie Dylo** treats her clients as if each wedding were the only one on the books. "I believe going that extra mile pays off," she says. Dylo is always at the hotel the day of the functions to be sure everything is moving along smoothly. She has been known to change linens at the last minute and even to move pianos.

She says you never know when a guest at a small affair may be impressed and later return as a client planning a large party. Dylo believes extra touches go a long way toward making customers remember—and recommend—an establishment for a special occasion.

5 EAST SOUTH CENTRAL

Location: Meridian, MS
Association members: Nadine Davis, Johnny Bounds
Operation: Nadine's
Profile: Restaurant and off-premises catering
In business: 3 years

Region 7 Special

Louisiana brides go Cajun or traditional

Chef John Folse already owned a successful restaurant in Donaldsville, Louisiana, when he bought a plantation to cater private parties. White Oak is within the city limits of Baton Rouge, but its 22.8-acre lot provides a bucolic atmosphere. Flowers from the plantation's trees and shrubs are often used as decorations for receptions.

Folse added a ballroom large enough to accommodate 250 people to the plantation's white-pillared, antebellum-style house. Between the ballroom and the rest of the house is a patio containing a brick fountain, an herb garden and two roasting pits for preparing the roast pig so popular in that part of the country.

Although most of the brides prefer a traditional, more formal meal consisting of Louisiana-style cuisine—a marriage of Cajun and Creole foods prepared and served in a European style—some brides opt for the Cajun menu that consists of roast pig accompanied by black pots of jambalaya, shrimp and Cajun-boiled crawfish.

At the other end of the menu continuum, Folse offers the Chef's Table—a seven-course deluxe meal, with each course announced and explained—at a cost of $75 a head.

Although there is a 110-seat restaurant on the premises of Nadine's, the operation's primary business is off-premises catering, and wedding parties are a big part of that business. Nadine's caters more than 100 weddings a year, and in the busiest months—May and August—will sometimes do three or four in a single day.

Business isn't limited to Meridian, even though it is a fair-sized town with lots of industry. The operation's trucks carry food and party equipment to customers within a 200-mile radius, but after 25 miles there is an additional per-mile charge.

It isn't unusual for Nadine's to cater two separate meals on the same day for the same wedding. For example, for one Meridian banker's daughter, the restaurant served a formal dinner at 7 p.m. and then came back at [illegible] p.m. to set platters of boiled shrimp, chicken fingers, fruits and vegetables, and other buffet-type foods around the pool.

Nadine's maintains a list of waiters to call as needed—usually teachers, retail workers and the retired.

6 WEST NORTH CENTRAL

Location: St. Louis, MO
Association members: [illegible]
Operation: Schneithorst Restaurant
Profile: German restaurant
In business: 54 years
Seats: Nine party rooms

Schneithorst's central location, [illegible] than a 20-minute trip from most sections of St. Louis, is one reason for its popularity as a wedding-party site. Another is its large lot, which offers free parking.

Nine party rooms, seating two to 200 people, are decorated to please the bride and her family. For example, the largest room resembles a manor hall, with its cathedral ceiling, large stone gaslit fireplace, Bavarian antique furnishings and wool tapestry rugs. Silk flower arrangements throughout the room make it unnecessary to bring in fresh flowers; usually only the head table will have a fresh-flower centerpiece. And Schneithorst will, at no charge, furnish candles for every table.

Even though the restaurant specializes in German food, most brides prefer traditional American items, such as *Chicken Wellington*—a chicken breast in a pastry crust, served with wild rice and fresh vegetables. The wedding cake comes from an outside bakery, but Schneithorst cuts it and wraps slices for the guests to take home—a St. Louis custom.

Schneithorst parties usually feature an open bar—both before and after the dinner. But **Jackie Biondo,** catering manager, has noticed that guests are drinking much less than formerly, a trend mentioned by other catering managers throughout the country.

8 MOUNTAIN

Location: Sparks, NV
Association members:
John Ascuaga, Al Darby, John Carter
Operation: John Ascuaga's Nugget
Profile: Hotel/casino
In business: 31 years
Seats: 20 party rooms

Because there is no waiting time in Nevada, couples come from all over the country to be married in the Silver State. John Ascuaga's caters to these couples and to those from next-door Reno and couples from nearby California cities. Often the out-of-towners bring their guests and their own preacher. They have their wedding ceremony on one side of the room and their reception on the other.

John Carter, catering director, offers a complete wedding package that includes not only the party room and refreshments but also as many extras as the couples choose—entertainment, photography, flowers or additional decorations, and even rooms for those who want to spend the night at the hotel.

The menu choices range from a buffet offering six hot items and six cold items for $10.50 a person, to a six-course gourmet dinner for $35 a person.

9 PACIFIC

Location: San Diego, CA
Association member:
Steve Piszkin
Operation: San Diego Marriott La Jolla
Profile: Hotel catering operation
In business: 3 years
Seats: Ballroom plus seven private rooms

In California, wedding receptions are more often "party parties" than sit-down dinners. Marriott San Diego Catering Sales Manager **Steve Piszkin** attributes this to the fact that on the West Coast there is often less family around to request traditions. Still, Piszkin notes that brides and their families can get nervous and anxious. He makes it a point to confer early with the best man about the order of events at the reception, so as not to bother the bride and groom on their special day.

Chicken is the most common entree, because it can be served so many different ways and can be done with a flair.

—Julie Fintel

A byte to eat for hungry "hackers"

Computer junkies have more to feast on than ever before. Dine Out, the first free on-line computer database, provides direct access to information on restaurants and entertainment in New York, New Jersey, Philadelphia, Washington DC, Virginia, Maryland and Delaware. The service has become popular so quickly that Dine Out plans to add listings for California and the Midwest states soon.

Anyone in the country with a computer and a modem can tap into Dine Out's listings, which are updated daily. The restaurants are cross-referenced for easy access to information, such as price range, location, type of cuisine and ambience. Excerpts from restaurant reviews are often included to help diners make a choice.

Dine Out also features a newsletter for "hungry hackers," restaurant profiles and contests for its users.

—Keith-Block Associates, Inc.

Chefs have heart

When it came time to develop a heart-healthy menu for the Heart of Gold Ball—a fundraiser put on by the Southern Nevada Affiliate of the American Heart Association—Van Atkins, executive chef of Caesar's Palace in Las Vegas (where the event was held), said, "No problem." Atkins was one step ahead. He had already convinced Caesar's' vice president of operations that nutrition should be taught to his culinary staff. Atkins enlisted local dietitian Carolyn Leontos to teach a 30-hour course on nutrition. Developing the menu for the ball became a class project.

The meal, which included a trio of pasta with smoked tomato sauce; a salad of Belgian endive, mache, or "lamb's lettuce," and enoki mushrooms; stuffed tenderloin of beef with port wine sauce; and a fruit fantasy, met the heart association's guidelines.

—Las Vegas Sun

War-zone dining

Along Route One, near Quantico Marine Base in Virginia, about 30 miles south of Washington DC, drivers might gawk at a restaurant called The Keep. Military sandbags and "watch out for mine field" signs line the entranceway to the fortress-like structure. A bombed-out military vehicle sits out front and a smashed airplane litters the roof. Enter the world of war-zone dining.

Frank Piwowarski, an ex-army man turned restaurateur, dreamed for years of running a military-theme restaurant. One million dollars later, The Keep is a reality. While dining on specialty dishes such as the bluntly named "A Chunk of Beef," customers are seated in a variety of rooms throughout the restaurant commemorating different wars in American history. The "Vietnam Room," for instance, features bamboo, tropical flowers and a 14-foot mural of people in a field looking through heavy greenery and bamboo.

The biggest parts of the military collection at The Keep are the rooms dedicated to the First and Second World Wars, which include radio equipment and 40mm cannons among their memorabilia. The centerpiece of The Keep, however, is the salad bar, which encircles a World War II weapons carrier. Rumor has it that General George Patton rode in the vehicle in its pre-salad days.

—The Washington Post

Gator gold

Alligator meat has taken off in a big way down South where the fearsome-looking creatures are raised in abundance. Numerous alligator farms in Florida and Louisiana have been selling alligator meat to restaurants since the early 1980s—after the animal came off the endangered-species list. Recently, alligator steaks, sausages and even gumbos are popping up on menus.

But the real test of the exotic meat's acceptance may have been when the Walt Disney World culinary team took alligator to the culinary "olympics" in Frankfurt, West Germany, last fall. The Disney team used alligator in two of its 13 gold-medal presentations—ground gator tail shaped into a loaf and poached alligator.

—Walt Disney World News and *FDA Consumer*

Getting no respect

Are you giving your employees the praise and recognition they deserve? If you're not, you might be looking for new workers.

According to a recent survey, a large percentage of employees are unhappy with the amount of recognition their bosses give them. The survey, developed by Motivational Systems, a management development and sales training outfit based in West Orange, New Jersey, asked 1,020 employees: How often does your boss recognize or praise your accomplishments and achievements? Thirty-eight percent responded "rarely or never." Of those 38 percent, two out of three indicated they would quit their jobs to work for companies where they would receive recognition.

—Sanford Teller Communications

Many operators are hiring persons with disabilities.

Disabled persons are very capable of holding responsible, productive jobs. Restaurateurs report (and studies show) that persons with disabilities are easily trained, dependable, follow instructions well and are very productive.

Disabled persons are a large, often overlooked employment resource. There are about 4 million disabled persons who could fill jobs.

There are many financial benefits. The Targeted Job Tax Credit (TJTC) will give an employer of any certified impaired person a 40 percent tax benefit on the first year's salary up to $6,000, and the National Association of Retarded Persons offers job training salary differentials to employers.

Hiring a disabled person is not difficult—there is a lot of help available. Professional counselors from various agencies will help you analyze job requirements, match persons to the job and oversee trainees' progress at no cost.

The National Restaurant Association can help operators find employable persons with disabilities. For information on this program, return the insert card between pages 44 and 45. Or, call the association at 202/331-5900 or 800/424-5156 (toll-free).

ROLE MODELS ■ **FAX FOOD** ■ **ME**

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THE MONTHLY MAGAZINE OF THE NATIONAL RESTAURANT ASSOCIATION VOL. 9 □ NO. 6 □ JUNE/JULY 1989

RESTAURANTSUSA

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ASSOCIATION MEETINGS

SEMINARS

Basic Foodservice Courses

Dining Room Management

6/20	Indianapolis, IN
6/22	Chicago, IL
7/19	Detroit, MI
7/24	Newark, NJ
7/25	Springfield, MA
8/7	Madison, WI
8/8	Minneapolis, MN
8/9	Denver, CO
8/14	Chicago, IL
8/21	Portland, OR
8/22	Seattle, WA
9/12	Dallas, TX
9/13	San Antonio, TX
9/18	San Francisco, CA
9/19	San Diego, CA
9/26	Philadelphia, PA

Kitchen Management

6/27	Honolulu, HI
8/14	Boston, MA
8/22	Chicago, IL
9/19	Toronto, Ontario, Canada
9/21	Vancouver, BC, Canada

Foodservice Management Courses

Banquet Management

8/8	Washington, DC
8/9	Philadelphia, PA
9/26	Chicago, IL

Food Cost Management

6/27	Portland, ME
9/19	Chicago, IL

Fighting the Labor Crisis

7/24	Chicago, IL
8/15	Boston, MA
9/25	Baltimore, MD
9/26	Minneapolis, MN
9/27	Cincinnati, OH
9/27	Denver, CO

Healthy Profits Through Nutrition

9/18	Chicago, IL

Menus that Sell!

9/11	Chicago, IL

Off-Premises Catering

9/25-26	Long Beach, CA

Planning Successful Buffets

6/26	Chicago, IL
7/17	Pittsburgh, PA
8/14	Cincinnati, OH
9/11	Nashville, TN

Profitability

6/19	Chicago, IL
8/7	Arlington, TX
8/8	San Antonio, TX
8/21	Chicago, IL
9/11	Boston, MA
9/12	New York, NY
9/18	Louisville, KY
9/19	Charlotte, NC

Note: *All Chicago seminars are held in The Educational Foundation's Conference Center at 250 S. Wacker Drive.*

For information, contact:
Educational Foundation of the National Restaurant Association
250 South Wacker Drive
Chicago, IL 60606
(312) 715-1010 or 1-800-522-7578.

If your company is interested in our in-house programs, call or write to the attention of Jeff Harrison at the above address.

EXECUTIVE STUDY GROUP SERIES

Financial Officers

10/4-6	Lake Tahoe, NV

Foodservice Purchasing Managers

10/4	Dallas, TX

Internal Auditors

9/19-22	Lake Tahoe, NV

Labor Relations

9/21-22	Washington, DC

Large Independent Operators

8/23-25	Amarillo, TX

Management Information Systems

10/17-22	Newport Beach, CA

Marketing Executives

10/18-20	Scottsdale, AZ

Multi-unit Architects, Engineers and Construction Officers (MAECO)

10/2-4	Dallas, TX

Quality Assurance

10/16-18	Las Vegas, NV

Safety Officers

7/11-13	Asheville, NC

Tax Executives

10/4-6	Lake Tahoe, NV

For more information on specific study groups, contact: Philip Kralovec, (312) 853-2525.

The Executive Study Groups present semi-annual professional development programs for executives who would like to meet with their industry peers to share ideas and concerns. Executives in each of the aforementioned disciplines from member foodservice companies are welcome and encouraged to participate.

Customized In-House Seminar Programs

With its customized In-House Seminar Programs, The Educational Foundation of the National Restaurant Association can tailor a seminar to fit any specialized need.

In-House Programs allow key employees and management to be taught at the same time in the same place in a full-day, half-day or hourly format at an economical price.

Applied Foodservice Sanitation, the newest addition, is now among the 21 In-House Programs available. All programs cover the basics and more.

Thousands of industry professionals have developed their skills by attending Educational Foundation seminars. Now it can be done on your own schedule. For more information on setting up an In-House Program, call Jeff Harrison at 1-800-522-7578.

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PRESIDENT'S REPORT

Harris H. "Bud" Rusitzky, President, Serv-Rite Food Service and Consulting Corporation, Pittsfield, New York

This is my first report to you as President and Chairman of the Board of the National Restaurant Association. With your support and participation, I hope to make this year a positive chapter in the history of our industry.

Drunk-driving solutions

On May 31, 1989, the Surgeon General released the *Proceedings of the Surgeon General's Workshop on Drunk Driving*, a document containing 72 pages of recommendations and strategies compiled during a workshop held last December. Something was missing from that workshop—mainly the representation of producers, distributors and retailers of alcoholic beverages. These groups weren't invited to participate. As a result, the recommendations produced are misinformed and misdirected.

The suggestions of the Surgeon General's report would do little to prevent the problem drinker from driving while intoxicated. They would, however, interfere in your operations in a variety of ways. Solutions such as raising excise taxes on alcohol, increasing server liability, banning "Happy Hours," or lowering the blood-alcohol content level (BAC) for legal intoxication will not keep the problem drinker from drinking.

Since 1984, the National Restaurant Association has urged you to participate in your industry alcohol awareness program, which calls for server training, customer education and reform of inhouse practices. If you are not involved, get involved now. After we have cleaned up our own house, we can justifiably press the government for a drunk-driving program that focuses on education of the public and rehabilitation of the problem drinker.

Minimum-wage hike vetoed

On June 13, President Bush vetoed legislation that would have raised the minimum wage to $4.55 per hour. Bush has said he would be willing to raise the minimum wage to $4.25 over three years with a six-month training wage. House Democrats were unable to raise enough votes for an override of the veto.

Both Democrats and Republicans in the House are already working on new minimum-wage legislation. Democrats are pushing for a bill to raise the minimum wage to $4.25 over two years and a 60-day training wage.

Your association is committed to no increase in the minimum wage. Please contact your representative and senators now and urge them not to raise the minimum wage.

Mandated health benefits—finally a version to support

Ever since Sen. Ted Kennedy (D-MA) introduced his mandated-health-benefits bill almost two years ago, the National Restaurant Association has been fighting against it. In the course of 12 months, the Kennedy bill would cost the small restaurant owner more than his net profit for an average year. The bill is the equivalent of a small-business massacre.

On June 23, Sen. Orrin Hatch (R-UT) introduced a mandated-health-benefits plan of his own. The National Restaurant Association is putting its support behind this bill.

The Hatch bill (S. 1274) supplies incentives and eliminates barriers for employers to provide health insurance for employees. It includes measures that would reduce health-care and insurance costs.

The National Restaurant Association is concerned about the 37 million uninsured Americans and has been seeking a program that will resolve this problem without bankrupting business. We will actively support S. 1274.

Section-89 reform

On June 13, the Senate Finance Committee passed legislation to reform Section 89, the confusing and disruptive tax provision intended to equalize employee benefit programs. The implementation date for Section 89 has been moved back to October 1, 1989. An amendment to that legislation, supported by the National Restaurant Association, has changed the definition of part-time employees from employees working less than 25 hours per week to employees working less than 30 hours per week.

Although simplifying this bill is a step in the right direction, your association continues to support a total repeal of Section 89.

Action on solid waste

I have appointed board member Bob Wood (Bob Evans Farms, Inc., Columbus, Ohio) to chair a task force to coordinate industry response to the solid-waste crisis facing our nation and our industry.

In the immediate future, communities all across America will face the problem of solid-waste disposal. They should develop comprehensive programs that include a variety of disposal methods. Bans on materials—especially materials required for foodservice operations—are not the answer. (Foodservice wrappers account for only one-half of one percent of waste in our landfills.) The industry should be out in front advocating the right community programs for curtailing the solid-waste crisis.

A great Show

In a special report in this issue of ***Restaurants USA,*** you will read about the 70th Show held last May in Chicago. It was the most exciting and inspirational learning experience ever staged by our industry. More than 100,000 foodservice people attended. If you were not there, start planning for the 71st Show, scheduled for next May.

Welcome new members

Last month, 180 new members joined the National Restaurant Association. We welcome you. Your participation in the association's programs will strengthen both your own businesses and the industry as a whole.

Sincerely,

Bud Rusitzky

Harris H. "Bud" Rusitzky
President and Chairman of the Board

RESTAURANTS USA

COVER STORY
MENTORING—LEARNING THE ROPES FROM A PRO

12 For young people coming up in the restaurant business, having a mentor to provide guidance and nurturing can be a tremendous advantage. But the relationship has advantages for mentors as well. Not only do they receive admiration from their proteges, but also their ideas endure beyond their own careers. This article profiles some leading restaurant executives who have benefited from such relationships.

SPECIALS

15 Role models—inspiring by example
With the labor shortage extending into the next decade, there is no question that the industry needs role models to show young people how rewarding and successful hospitality careers can be. Restaurateurs across the country have found that their role-model activities lead to better employees and are an excellent way to serve their communities.

19 1989 Show Report
"There is no question about it," says National Restaurant Association Convention Chairman John Metz. "The foodservice industry has come of age—not only as a driving economic force in the nation, but also in the hearts and minds of the U.S. public, who in the last decade have come to appreciate the convenience, creativity and necessity of the industry's important services. It is time now for foodservice to take a statesmanlike role regarding national concerns and to build on this new public recognition to attract and nurture the young men and women who can be the future leaders of this great industry." This is the inspiring message that pervaded the 1989 National Restaurant Association Show. For a recap of some of the major events, including the appearance of former President Ronald Reagan, the Salute to Excellence Forum and female role models at Chefs Stage, turn to the Show Report, which begins on page 19. Be sure to see Short Orders, Washington Report and Boardroom for additional Show news.

18 Viewpoint—ethics in the restaurant business
A restaurateur discusses the importance of maintaining a strong sense of ethics as the industry prepares for the decade ahead.

AISLE
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NATIONAL
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30 Just the fax
The number of companies owning fax machines continues to mushroom, and restaurants are quickly jumping into the act.

32 The menu as star in a major production
The menu has an integral role in the restaurant production—it initiates a dialogue with customers and introduces them to the restaurant. This article discusses how menus can be designed to set the stage for a successful production and includes examples of menus that play their roles brilliantly.

DEPARTMENTS

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- ☐ A very special delivery
- ☐ Take a critic to lunch

Cover photo by Jonathan Taylor Uniphoto

SHORTORDERS

In search of Wendy

Where is Wendy's Wendy? Posing in their costumes reminiscent of Pippi Longstocking are 13 of 15 finalists in the "Looking for Wendy 1989" pageant held at Wendy's Dublin, Ohio, headquarters. Pictured with the finalists are R. David Thomas (left), founder and father of the original Wendy; WTTE-TV "Kid's Club" host, Suzi (center), and James Near (right), president and CEO of Wendy's.

A sweet after-dinner treat

Diners Club and Carte Blanche offered their cardmembers a tasteful "thank you" during April and May. All personal cardmembers not enrolled in the Club Rewards program who charged one restaurant visit to either card between April 1 and May 31, 1989, earned a $5 rebate on every subsequent visit charged to the card during April and May—up to a total of 60 credits or $300. The promotion required no matching funds from the establishments.

Members of Club Rewards, in which cardmembers earn one point of each eligible dollar charged to the Diners Club Card, earned triple bonus points in addition to the points normally earned each time they dined on the card throughout the campaign.

Dubbed "A Sweet After-Dinner Treat," the Diners Club/Carte Blanche promotion was designed to demonstrate support for restaurants accepting the Diners Club Card.

Marriott Corporation to offer child-care services

Marriott Corporation has entered into a joint venture with Corporate Child Care, Inc. (CCCI), a Nashville-based provider of employer-sponsored child-care services. Marriott will become a minority shareholder.

Through CCCI, Marriott will offer on-site child-care services at business, educational and health-care facilities. The service will be available initially to a limited number of Marriott Food and Services Management clients on the East Coast and in the Southeast.

Marriott Corporation currently operates a day-care center, on a test basis, for employees at its Princeton, New Jersey, hotel, and it is part of a consortium planning a day-care facility at Bradley International Airport in Connecticut. Marriott is also studying the feasibility of opening facilities at the Chicago O'Hare Marriott, the Orlando World Center Marriott and the J.W. Marriott Hotel in Washington DC as well as at its corporate headquarters in Bethesda, Maryland.

Marguerite Sallee, CCCI president and CEO, says, "Child care is no longer a problem just for parents. By its decision, Marriott is sending a signal to other corporations that there are major economic benefits to offering child-care programs, including improved recruitment and productivity and reduced turnover and absenteeism."

A company thank-you

Domino's delivers a bonus. Frank Hansen, store manager for a Domino's Pizza in Madison, Wisconsin, smiles as he starts up his new 1989 Ford Festiva, a company thank-you for increasing sales in his store by nearly 100 percent over a six-month period. According to Hansen, "product, service, image and community relations" helped him win.

Hats off to a good neighbor

The Alabama Rehabilitation Counseling Association presented its prestigious partnership award to Quincy's Family Steak House in Mobile. The partnership award is given each year to a person or business that has shown commitment to promoting the cause of the handicapped.

Quincy's has hired 13 people and trained 10 more and assisted in placing them in jobs. According to Bill Eklund, general manager of Quincy's Mobile #4, "The most important aspect of the program is that it opened our eyes to the fact that the handicapped can be part of our workforce. [It] helped dissolve the image that 'handicapped individuals would present many difficulties to accommodate.' "

Anniversary gala benefits JDF

Mary Tyler Moore samples some Benihana cuisine at the restaurant's 25th Anniversary Celebrity Cook-off Gala, which benefited the Juvenile Diabetes Foundation (JDF). More than 500 celebrities donned chef's hats and aprons at 19 Benihana restaurants across the country to prepare hibachi meals for lucky ticketholders. Pictured with Moore are actor Jerry Orbach (left) and Moore's husband Dr. Robert Levine.

The accomplishments of Greenaway live on

Donald Greenaway, executive vice president of the National Restaurant Association from 1958 to 1968 and a leading industry educator throughout his career, died recently of a heart attack. He was 77.

Under his watch, the association made great strides in the areas of education, government relations and membership.

Prior to joining the association, Greenaway served as director of Michigan State University's School of Hotel, Restaurant and Institutional Management, his alma mater. He was associate dean at the University of Houston's Hotel & Restaurant Management School from 1969 to 1976, and was Distinguished Visiting Professor at Florida International University from 1977 to 1983. Just prior to his retirement, he served as Westin Hotels Distinguished Professor at Washington State University from 1983 to 1985.

New lunch-delivery service starts at MSU

Green Gourmet, a campus lunch-delivery service [illegible] by students and [illegible] [illegible] [illegible] at Michigan State University in East Lansing, Michigan, this spring.

Research by MSU students led to launching the new service and included market surveys, testing microwave ovens at delivery sites, recipe development and research on price structure and product labeling.

Lunches, all ordered in advance, are prepared at the MSU Union cafeteria.

Foodservice in the 1990s

[illegible] IFMA [illegible] [illegible] [illegible] Video Marketing [illegible] presents the dramatic [illegible] session of [illegible]. The tape opens with some of George Rice's predictions for the next decade and then moves on to the panel discussion, "The Foodservice Summit." Panelists include Ted Balestreri, Restaurants Central; Stan Bromley, Four Seasons Clift; Jim [illegible], PYA/Monarch; John Farquharson, ARA Services; Jack Laughery, [illegible]; and Frank [illegible], TW Services.

The cost for the video is $[illegible] plus $6 for postage and handling. Connecticut residents must add sales tax. To order, send a check or money order to Video Marketing Resources, 417 E. 57th St., New York, NY 10022.

Touchscreen ordering

Welcome to the world of computer ordering! Customers at an Arby's restaurant in Denver place their food selections directly through a new touchscreen computer application that helps deliver their orders faster. The system—Touch 2000—developed by Management Information Support, Inc., in Denver, was introduced nationwide at this year's Show in Chicago. Food orders are instantly displayed on monitors in the kitchen area and cashier stations in English or another language of the restaurant's choosing.

WASHINGTONREPORT

President vetoes $4.55 wage

True to his word, President Bush wasted no time in vetoing minimum-wage legislation. Bolstered by a strong show of support from the National Restaurant Association and others in the business community, Bush flatly rejected Congress's proposal to hike the wage to $4.55 over three years within an hour after he received the bill on June 13.

As expected, pro-wage-hike forces in the House were unable to override the President's veto, falling 34 votes short of their goal. The final tally reflects deep partisan division on the issue, with 227 Democrats and 20 Republicans voting to override the President, and 28 Democrats and 150 Republicans voting against.

Bush called the $4.55 rate "excessive," reiterating that he would accept a top rate no higher than $4.25. In a veto message that asked Congress to compromise, Bush also lobbied for a lower training wage for newly hired workers. Although the minimum-wage bill sent to the President contained a proposal for a training wage, the lower wage would have been limited to 60 days and to workers with less than 60 days of previous job experience. Bush has recommended a six-month training wage for all newly hired workers.

National Restaurant Association Executive Vice President William P. Fisher (far right) met with President Bush and business leaders this spring to assure the President that the restaurant industry would support Bush's unwavering stand against an exorbitant minimum-wage hike.

After the veto override vote, the leading Republican on the House Education and Labor Committee, Rep. Bill Goodling (R-PA), introduced as a compromise the "Living Wage Act," a bill to move the wage to $4.25 over three years and establish a four-month training wage for new hires. Goodling's legislation also expands the Earned Income Tax Credit, a tax refund for low-income workers with families.

Although Democrats had not yet introduced any counterproposal as this ***Restaurants USA*** went to press, leading Democrats indicated they may support legislation to move the wage to $4.25 over two years. Under no circumstances, predicted House Education and Labor Committee Chairman Gus Hawkins (D-CA), would Democrats accept the President's proposed six-month training wage.

Twenty legislators visit Show

After two days at the National Restaurant Association's annual Show, four U.S. senators and 16 U.S. representatives are certain to have a newfound appreciation for foodservice.

In what has become an enormously successful way of showing legislators how the restaurant industry operates, the National Restaurant Association hosted 20 legislators at the Show this May in Chicago. Now in its sixth year, the Congressional Visit Program is funded by corporate foodservice operators' donations to the association's Congressional Leadership Forum.

Like tens of thousands of other Show visitors, members of Congress hiked the long aisles of food and equipment displays. Guided by association directors, legislators met with their own constituents exhibiting products at the Show. "I was amazed to see how many people foodservice affects," said Rep. Michael McNulty (D-NY), echoing similar comments by his colleagues. "I hadn't stopped to think of all the products related to foodservice."

Prior to their tour, the 20 lawmakers met with restaurateurs in rousing hour-long roundtable discussions, trading thoughts on issues ranging from labor shortages to Congress's stepped-up activity in the area of mandated benefits.

In a roundtable discussion held before their Show tour, association member Joe Fassler talked with member of Congress Donald Payne (D-NJ).

DC ROUNDUP

☐ **Section 89 simplification moving along.** Last month the Senate Finance Committee overwhelmingly approved a bill sponsored by Sen. Lloyd Bentsen (D-TX) to greatly simplify Section 89 employee benefit nondiscrimination rules.

The panel also approved an amendment offered by Sen. John Heinz (R-PA) at the request of the Pennsylvania Restaurant Association and the National Restaurant Association to change the definition of part-time employees to employees working less than 30 hours per week. This change would greatly benefit restaurant operators who rely on part-time help. Under the current Section 89 law, all employees working more than 17½ hours a week are counted as "employees" for purposes of nondiscrimination testing.

As passed by the committee, S. 1129 delays Section 89 until 1990 and simplifies the tests employers must run on benefit plans to measure nondiscrimination. Under S. 1129, employers who offer affordable health-care coverage to 90 percent of full-time employees would pass the test.

☐ **Association protests drunk-driving report.** Arguing that the restaurant industry should have been part of the group organized by the U.S. Surgeon General's office last year to issue recommendations for curbing drunk driving, National Restaurant Association President Harris "Bud" Rusitzky called some of the more than 200 recommendations "misdirected and destructive."

"The foodservice industry has had a sweeping program aimed at reducing drunk driving in effect for several years. We sell one-quarter of the beverage alcohol consumed in this country, yet we were excluded from the discussions that led up to the report," Rusitzky complained. The Surgeon General's list, which was released May 31, includes calls for substantial hikes in alcohol taxes, restricted operating hours for alcohol sellers and the elimination of "happy hours." Rusitzky argued that these measures seem designed to cut the availability of alcohol even to responsible drinkers and recommended instead an increased focus on education to teach people to use alcohol responsibly. The association testified at a June 21 Senate hearing.

☐ **Reform of legal immigration system in the works.** Seeking much-needed increases in the supply of foodservice labor, the National Restaurant Association is working with Congress for reform of the nation's legal immigration system.

Although the Senate Judiciary Committee failed to incorporate the association's suggestions into the bill it passed last month, the association continues its lobbying, in preparation for House activity as well as a Senate floor fight. The association has asked Congress to expand the numbers of unskilled workers allowed into the United States and to make it easier for employers to hire foreign workers on a temporary basis when jobs cannot be filled through the usual methods.

☐ **Legislation bans discrimination against the disabled.** A major civil rights bill, the "Americans with Disabilities Act," was introduced in late May to ban job discrimination against the handicapped and to require public accommodations to be accessible to the disabled.

Close study of S. 933 and H.R. 2273 by the National Restaurant Association reveals potential trouble spots, especially in the bill's employment provisions. Depending on how strictly courts interpreted these provisions, employers could be required to restructure jobs and modify their schedules and equipment to accommodate disabled workers.

The controversial legislation is likely to be given serious consideration by Congress this year.

☐ **Seafood inspection debated.** Mandatory federal seafood inspection may be around the corner, if its increasingly vocal proponents get their way.

Noting the growing popularity of fish in the American diet, representatives of the seafood industry, the White House, Congress and food-safety groups agreed at a House hearing in June that the time is ripe for federal inspection. "It is time to examine whether . . . fish is safe to eat and whether our fish-inspection programs are adequate," said House Energy and Commerce Committee chairman John Dingell (D-MI).

The National Restaurant Association is working with other groups to develop a proposal for an inspection program that will inspire consumer confidence in food safety but will not be burdensome for restaurateurs.

—Denise Roach

Rochester Institute of Technology

Rep. Mike McNulty (D-NY) and association director Bill Zoidis visit with a hospitality-industry educator.

WORLD'S MOST EFFICIENT

Rep. Clay Shaw (R-FL) gets some "hands-on" experience in dishwashing at a constituent's booth.

BOARDROOM

Association chief appoints committee heads

At May's board meeting, held in Chicago, newly elected National Restaurant Association President Harris H. "Bud" Rusitzky appointed new heads of committees and task forces to direct the association's activities for the coming year.

As the association's chief executive officer, Rusitzky himself heads the Executive Committee. The new committee chairmanships are as follows:

☐ **Audit:** Guss Dussin (OSF International, Inc., Portland, OR)

☐ **Investment:** Robert Rosenberg (Dunkin' Donuts, Inc., Randolph, MA)

☐ **Pension:** Bill Naegele (Restaurants No Limit, Inc., Minnetonka, MN)

☐ **Nominating:** John Cauley (Friendly's Ice Cream Corp., Wilbraham, MA)

☐ **By-laws:** Dick Stubbs (Applewoods, Inc., Oklahoma City, OK)

☐ **Communications:** John Metz (Metz Enterprises, Dallas, PA)

☐ **Convention:** Dick Cregar (Cregar Enterprises, Orchard Lake, MI)

☐ **Finance:** John Farquharson (ARA Services, Inc., Philadelphia)

☐ **Government Relations:** Stephen Elmont (Creative Gourmets, Ltd., Charlestown, MA)

☐ **Human Resources:** Robert Kozlowski (Canteen Co., Chicago)

☐ **Membership:** Stephen Huse (The Huse Food Group, Inc., Bloomington, IN)

☐ **Political Education:** W.W. "Biff" Naylor (American Restaurant Services, Inc., Los Angeles)

☐ **Research:** Bernard Schreiner (Schreiner's Restaurant, Inc., Fond du Lac, WI)

☐ **State Relations:** F. Donald O'Neill (Spring House Restaurant, Rochester, NY)

☐ **Technical Services:** Jimmy Britt (Blazers Restaurant, Greenwood, SC)

☐ **Task Force on Alcohol Awareness:** Bill Latham (MRM Inc., Jackson, MI)

☐ **Task Force on Immigration:** Jim Peterson (Whataburger, Inc., Corpus Christi, TX)

☐ **Task Force on Public Affairs Conference:** Joseph Fassler (Greyhound Food Mgmt., Inc., Phoenix)

☐ **Task Force on Solid Waste:** Bob Wood (Bob Evans Farms, Inc., Columbus, OH)

☐ **Task Force on Strategic Planning:** John Farquharson (ARA Services, Inc., Philadelphia)

☐ **Task Force on Hennessy Travelers:** S.J. "Bill" Monro (Biff's Coffee Shop, Oakland, CA)

Board Room Special

Memories of a Hennessy Traveler

Bernard Schreiner gives "thumbs up."

To be chosen as a Hennessy Traveler—to select the recipient of the coveted Hennessy Award—is both a privilege and an honor. As representatives of the National Restaurant Association, the United States Air Force, the Society of Food Service Managers, and the International Food Service Executives Association, the Hennessy Travelers must have a great deal of personal and professional integrity and a commitment to excellence, reflected in their willingness to take a six-week leave of absence from their businesses. Among this year's travelers were association directors Bernard Schreiner (Schreiner's Restaurant Inc., Fond du Lac, WI) and John Metz (Metz Enterprises, Dallas, PA). Schreiner shared these impressions.

I was indeed honored to be chosen from the board of the National Restaurant Association as a 1989 Hennessy Traveler. The National Restaurant Association has continued to support this program since its inception in 1957, when restaurateur John L. Hennessy signaled a need to upgrade the food facilities at Air Force bases throughout the world. Each year several extremely dedicated bases are nominated to compete for the coveted Hennessy Trophy in the single-unit and multi-unit categories. It is indeed a challenge for the team of evaluators to select the best of the best. To do so, the team must maintain a rigid set of objectives within the parameters of a predetermined scoring mechanism. At the outset we agreed to follow two rules throughout the six-week period of evaluations of nine Air Force bases on three continents: We always completed the scoring before we departed from a base, and we never changed a score after departing because we believed that our minds and notes were freshest during the actual evaluation.

During our numerous visits to the dining facilities, I was repeatedly impressed by the high caliber of personnel in the Air Force. I spoke to a great many individuals, both as they were going through the serving lines and at randomly selected tables. The young airmen and airwomen were most forthcoming in their responses to my questions

At the Show, Jim Peterson passed the gavel to Bud Rusitzky, the new association president.

Eure family accepts posthumous award

The family of the late Thad A. Eure, Jr. accepted his 1989 Ambassador of Hospitality Award at the third annual "Salute to Excellence" Banquet, sponsored by The Educational Foundation. From left: his son, Thad; Jim L. Peterson, outgoing association president; Eure's widow Alice; Henry J. Cockerill, Educational Foundation chairman; and Eure's daughters, Van Ellen and Shelley.

New board members inducted

Also at the May meeting, 10 foodservice leaders were elected to the association's board of directors. The new directors are:

☐ *Grady T. Allred, Jr.* (J&S Cafeterias Inc., High Point, NC)

☐ *Keith Ashby* (Swartz Restaurants, Decatur, IL)

☐ *Robert I. Borochoff* (Epic Restaurants, Inc., Houston)

☐ *Norman Brinker* (Chili's, Dallas, TX)

☐ *A. Beirne Brown* (Cuisine Management, Inc., Naples, FL)

☐ *Michael F. Greenfield* (Michael's Seafood and Steak Tavern, Ludlow, VT)

☐ *Donald M. Kalfas* (Bill Johnson's Restaurants, Inc., Phoenix)

☐ *Rolf Lewis* (Rolf's Restaurants Associates, San Francisco)

☐ *Edwin L. Novak* (Venture Mgmt., Inc., Denver)

☐ *Michael John Tinios* (Galley Hatch Restaurant, Inc., Hampton, NH)

—Anne Papa

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regarding foodservice and military life. These young people are intelligent, motivated, skilled and, above all, dedicated to their mission of continued world peace in the context of a strong Air Force. They articulated their concerns so well as to give me shining visions of tomorrow's great leaders.

The specific military missions varied from base to base. They ranged from maintaining the fragile truce in Korea to ongoing surveillance with the NATO forces in Europe. Among my most memorable experiences were a visit to the DMZ at Panmunjon in Korea, helicopter trips to evaluations at Hill Air Force Base's remote desert training sites, seeing the mighty missiles in South Dakota and viewing the Washington DC area by helicopter.

At Andrews Air Force Base it was a thrill to be onboard Air Force One—the plane known as the "Kennedy Plane." At Keesler Air Force Base, the pilots who fly the planes into the eyes of hurricanes showed us with pride how and what they do. At Ellsworth Air Force Base we learned about the B1 bomber and had the thrill of playing the role of pilot if only for a few brief moments. At Peterson Air Force Base, which includes the incredible Cheyenne Mountain complex, we were made really aware of the nuclear threat that hangs over us all. It is awesome to see the tremendous power that stands ready to be unleashed while we all go on with our lives and rest safely at night.

As we arrived at each base, we were always welcomed and treated with the greatest respect. During the evaluation times, personnel were always ready to answer our questions, show us around and generally do whatever they could to aid us in our work, while not hampering our progress by overzealous attention. There are 240 items on the evaluation guidelines, so a sense of timing was important.

It is not always easy to provide excellent foodservice, especially in remote locations, such as at the missile silo control centers where teams of two spend 24-hour shifts in sealed environments 85 feet underground. There was an obvious concern about nutrition, in terms of calorie counts, heart-healthy foods and other dietary considerations.

Special events, such as birthdays, holidays and competitive victories, are challenges for the specialty talents of the food-preparation segments of all dining facilities. It was most impressive to note that in nearly all cases the base commanders and their spouses served the airmen and airwomen on holidays, such as Christmas.

Finally, there was always a feeling of belonging at each base. When the time came to leave, we always experienced a few down moments as we made our farewells. It was then off to a new base, a new experience with another tightly knit group of spirited, hardworking men and women who were determined that their base would be the best and that they would be in Chicago to claim the Hennessy Trophy for 1989.

In truth, they were all winners; but as we know, in any contest not everyone can win. We congratulate the military and contract personnel at Keesler Air Force Base in Mississippi and Whiteman Air Force Base in Missouri for winning this year's multi-unit and single-unit Hennessy Awards. *—Bernard Schreiner*

MENTORING

LEARNING THE ROPES FROM A PRO

George Lang thinks of protege Andrew Young almost as a son. Says Young of his mentor, "I moved my life to New York because of the man and his restaurant."

by Marcia Hibsch Coppess

In an industry that determines its masters not just by their profits but by their innovation, creativity and intuition, having a model to emulate can make all the difference. Yet despite a long-held tradition of apprenticeship among chefs and other culinary professionals, there is no formalized system for restaurant professionals seeking a mentor. Instead, ambitious young restaurateurs and employees must pursue their own models.

Perhaps because a career in the restaurant business can take so many forms, the formal apprenticeships familiar to culinary professionals are far less common than other forms of mentor-protege relationships. At the front of the house, the protege's commitment to his mentor is more often based on professional regard and emotional attachment than on an agreement to work for a stipulated length of time in exchange for advanced training.

Three types of relationships seem most common within the restaurant industry: model/admirer, in which a leader provides an example of professional behavior with or without direct contact with his admirer; teacher/pupil, a professional version of the parent-child relationship in which one person [illegible] guides another; and mentor, as [illegible] and [illegible] with [illegible]

Marcia Hibsch Coppess [illegible] **Restaurants USA.**

Enjoying mutual benefit

The ideal mentor-protege [illegible] based on mutual regard [illegible] both parties benefiting," says James M. Oher, former director of employee assistance at J.C. Penney and now a consultant who advises corporations on human resource matters.

"The protege gets the more obvious benefits of guidance, knowledge and a safety net," Oher says. "But the mentor benefits by contributing to the young person's career development and passing along his knowledge. He also receives the respect and admiration due him as an expert, and the hope that his methods will continue after he has stopped working."

Mentors profess different motivations for their willingness to shepherd young professionals through their early years. Some hope that their ideas will live on; others talk pragmatically about ensuring that the future labor force will be of sufficient quality to maintain industry standards. But all sense that helping a talented young person is simply the right thing to do.

Imparting a style and philosophy

Mentoring may not be a daily hands-on apprenticeship so much as it is a shining example of exemplary management and business ethics. Norman Brinker, chairman and chief operating officer of Chili's, has been boss to approximately one million employees under the age of 30 during his 23 years in the restaurant business. Of those, about 1,000 have gone on to restaurant careers. More than a dozen now hold high-level positions in restaurant chains or operate their own restaurants.

Among the professionals who began their careers under Brinker's tutelage are Hal Smith of Chi-Chi's, Mike Jenkins of Ponderosa, George Beel of Houston's, Dick Frank of Pizza Time Theater, Dick Rivera of TGI Friday's and Mike Connor of Grady's.

"When you look at some of the leaders in the industry in this age group, you realize how many of us came through the same background with Norman Brinker at S&A Restaurant Corporation," says Hal Smith. "I think he realizes the value of being that beacon. I'm sure I'm not the only one who tries to carry on the principles I learned from him."

> ***"The protege gets the more obvious benefits of guidance, knowledge and a safety net," Oher says. "But the mentor benefits by contributing to the young person's career development and passing along his knowledge."***

Training and riding horses has been Brinker's lifelong interest (he rode for the U.S. equestrian Olympic team in 1952 in Helsinki), and this fascination is apparent as he discusses the people who have worked for him. "I have so much fun watching a gangly colt run around, then grow, develop and become a great athlete," he says. "It's the same tremendous satisfaction to watch an 18 or 21-year-old develop into a fine professional. I'm so proud of them all."

What has Brinker taught his generation of young colts? "The jockey Willie Shoemaker once said that he never touches anything unless he has to," Brinker answers. "When things are going right, I try to sit very quietly and let people run free. I show people the path and let them run. And you know where they run if you do that? Right down to the finish line."

Smith met Brinker in 1970. He was a young man a year out of college and owner of a restaurant patterned after Steak and Ale, the chain Brinker was building at the time. "The first time I visited a Steak and Ale I saw something special about the quality of the restaurant," Smith says. "When I met Norman a year later, I realized that the special something came from the man behind the concept. I put it in the back of my mind that if I ever worked for a company, his would be the one."

Smith started as a trainee at Steak and Ale in 1973 and became president in 1980 when Brinker was chairman and CEO. Three years later Brinker bought Chili's, and Smith became chairman of S&A Restaurant Corporation. A few years later Brinker hired Smith to be his president at Chili's, where he remained until 1986 when he became president of Chi-Chi's.

Smith worked directly with Brinker for only the last six of the 13 years he was associated with him. But his management style—and even his horseman's metaphors—show a distinctly Brinker influence.

"The way I handle my people now is a mirror image of the way Norman handled me through my transition," Smith says. "Mentoring starts with imparting your basic beliefs as an individual. Norman hires winners, establishes guidelines and direction, then lets you ride your own horse. He steps back and watches you ride, but doesn't stay too far from the track in case you stray."

Smith took over Chi-Chi's when morale and sales equalled one another in their gloominess. "I've never experienced anything as rewarding as the turnaround we've had in the last three years," he says. "It all comes from the approach I learned from Norman. I try to emulate the energy level I learned at Steak and Ale. People with high energy set the pace for those around them.

"There are people at Chi-Chi's who didn't know if they or the company would make it three years ago," Smith continues. "Today they are leaders and developers of others. My satisfaction comes from the difference they feel about themselves and the company."

Passing the torch

"Teaching and bringing up the next generation may be the most important reason for our professional existence," says George Lang, owner of Cafe des Artistes and founder of George Lang Corporation, a restaurant consulting firm in New York. "Anybody who mentors someone solely for immortality's sake is a fool. You do it because it is right and decent. One must do what one should with people who deserve it."

Lang's relationship with Andrew Young, his senior associate at George Lang Corporation, began when Lang visited Cafe Les Halles, the bistro Young had created for Dick Bradley, then of Victoria Station.

"I walked into a restaurant I had heard about and found an utterly charming, simple bistro," Lang recalls. "When I saw that the menu was as intelligent as the design, I asked who was responsible for the concept and menu. An incredibly, improbably, almost obscenely young man introduced himself. I had Scotch in my bar older than he was!"

Lang gave Young his business card and invited him to call. Six months later Young took him up on the invitation, and Lang hired him as an assistant manager at Cafe des Artistes. But Young strained at the reins.

"Like a good mentor, he saw that I needed more development and wasn't ready to settle down," Young says. "Out of his sphere of influence, he sang my praises and got me hired at Restaurant Associates."

Young remained at Restaurant Associates for several years. During that time he supervised the creation, opening and operation of the Rockefeller Center's 45,000-square-foot three-restaurant food complex—a $30 million restoration. By mid-1985 he was ready to move on. Again, Lang was watching. As he stepped down as chairman of the firm, Lang convinced new president Robert J. Nyman to bring Young in as a partner.

Today, Young is senior associate at the firm and recently opened El Teddy's, his own New York City restaurant. "I used George as a model when I planned the restaurant," Young readily admits. "He put all he had into Cafe des Artistes and made it what it is now. I put every cent I had into El Teddy's and even live down the street from it, as George does from his restaurant."

Lang watches Young spread his professional wings with the pride of a father whose son has prospered beyond his hopes. "A mentor must be able to evaluate his protege," Lang says. "But the day comes when you must let go. You must be sensitive to the protege's pride, vanity and need to flex his muscles. I am learning to be there only when Andrew asks me instead of actively participating like an overprotective father."

As a parent might for an adult child launching a career, Lang gave Young a gift when he opened El Teddy's. "I sent personal notes to 400 special contacts who have positions of power in New York," Lang explains. "It was my gift of a good beginning to Andrew."

In return, Lang has Young's unabashed admiration. "I moved my life to New York because of the man and his restaurant," Young says.

Being both teacher and pupil

In seeking career guidance and advice, many restaurateurs discover that they can be both teacher and pupil. Because keeping abreast of industry changes is essential to continued success, professionals in positions of authority and leadership find they never stop needing help.

"I've sought out mentors throughout my career," says Leonard Roberts, president and chief executive officer of Arby's. "I think that anyone who truly wants to succeed will seek out not just one but several people to emulate."

Roberts worked in retail and supply, most recently at Ralston-Purina, until four years ago when he joined Arby's. Although he had the acumen to run a business, Roberts felt he lacked knowledge about the franchise business.

"I wanted to apply my talents as soon as possible when I came to Arby's, so I sought out four or five major franchisees to learn the business from the outside and for guidance on how to work with franchisees," Roberts says. "I still maintain those relationships."

Roberts also started a Presidential Advisory Board two years ago when he saw that middle-managers at Arby's needed a broader perspective on the corporation's operations. The board consists of 14 people from key areas in the company—real estate, franchising, human resources, operations and marketing, among others. Most members are managers or directors.

"This has allowed all of us to act as mentors to one another," Roberts says. "Each person helps the others understand his or her area of expertise. Then they return to their own departments and guide their staffs. In that way, the mentoring trickles across and down through the entire company."

Michael Grisanti, president of Grisanti, Inc., is an active member of the Young Presidents Organization, a group whose activities include an annual evening called "Fess Up," during which members relate their worst mistake of the year.

"I belong to an eight-person forum of company presidents in my city," Grisanti explains. "I'd tell them the most intimate details of my professional and personal life with the confidence that it would remain within the group. The commonality of experience is invaluable to any young president."

Grisanti says he also approaches experienced colleagues for guidance in business decisions. "I like mentors who are peers but are two steps removed from my business," he says. "There are several people within the National Restaurant Association I can ask for an objective viewpoint. I know they care about the outcome of my decision. But since their futures don't depend on it, they will be honest in their evaluations."

Formalizing a structure

Roberts sees active mentoring as one solution to the shortage of managers in his company. "Arby's is growing quickly, but our limiting factor is management," he says. "We can't continue to keep up our pace without quality people."

When he talks with college classes, Roberts finds that students often wish for exposure to the overall operation of a business instead of being confined to one area. In response, he has instituted a four-year mentoring program for college students. During college the students spend two years working at an Arby's store, then half of their junior year working at corporate headquarters.

Upon graduation, they will be prepared to enter as assistant managers at the restaurant level or in a corporate position. Although the program is too young to boast any graduates, Roberts hopes it will prove to be an effective way to guide achievers on the fast track.

"The mark of a potential leader is one who seeks out some form of mentoring," Roberts says. "Anyone who really wants to be a success will find someone to learn from. We in the restaurant industry should think about formalizing a structure to make the process easier for ambitious young people interested in entering the profession." ❑

ROLE MODELS
INSPIRING BY EXAMPLE

As the first black owner of a national franchise, Brady Keys is a natural role model for Detroit's black youth.

Image-enhancing role-model activities, whether organized or informal, are producing new—and better—foodservice employees. "You don't see immediate results," says Detroit restaurateur Brady Keys. "But there are so many long-term dividends."

by David Slater

As the labor crunch forces employers to work harder to find new workers, operators are discovering two recruiting problems. First, many of the potential employees have unsatisfactory job skills. Second, some recruits have a bad impression, or no impression, about foodservice. Restaurateurs, however, are fighting back. By presenting themselves and their successful employees as role models, dedicated operators are encouraging kids to stay in school and showing them that foodservice can be the source of diverse, rewarding careers.

Getting through to youth

Brady Keys, head of Detroit's Keys Group (13 Burger King franchises in Detroit and 11 Kentucky Fried Chicken outlets in Georgia), has been reaching inner-city youths since the early 1970s with an image-building program that uses role models. A former pro-football player and the nation's first black owner of a national franchise, Keys is a natural role model for Detroit's youths. Through a series of advertisements, speaking engagements and in-house programs, he tells kids that hourly jobs can grow into fulfilling careers.

"Kids really relate to image," says Keys. "That's why I take the time to go on TV myself to tell them about Keys Group and the 100,000 people we've hired over the years. You have to work at it. But if you're trying to relate to people, image is everything."

Keys also relies on his managers and former employees to help build the company's image. Keys invites distinguished ex-employees, such as one of the city's top radio DJs, to company parties, and features them in the group's many radio and television spots. "When people hear [disc jockey] John Mason say on the radio, 'Brady Keys gave me my first job,' it builds your image," says Keys.

Keys, who is in great demand as a speaker, has started a speakers' bureau to encourage his most articulate managers and directors to visit Detroit schools every Tuesday and Thursday. These speakers, such as vice president of operations John Draper, discuss their rise from hourly worker to positions of responsibility within the company. "We show them examples to prove that foodservice is not filled with dead-end jobs," says Draper. "In the sweepstakes, when your chances are one in a million, people say, 'I'm not going to win.' But with real-life examples we show them they *can* win."

David Slater is a communications specialist at the National Restaurant Association.

COMMUNITY ACCESS NEW
FREE
THE BUSINESSMAN

Brady Keys' organization—the Keys Group—publishes a free monthly newsletter for the community. Each issue is filled with inspirational success stories and urges young people to "follow their dreams."

Other industry role models provide similar inspirational messages to groups of youths they have the opportunity to address. Herman Cain, president and CEO of Godfather's Pizza, usually tries to make two main points about the industry during his frequent speaking engagements to youth groups. First, says Cain, "I tell them that foodservice is one of the few industries where education beyond high school is not essential. Because we are such a young industry, you can still get ahead on your performance and what you know about the business. Second, you can't be a success in any industry without knowing the business. You can't become an instant executive. You've got to spend time in all areas of the restaurant, and you have to pay your dues."

Leo Goto, owner of Denver's Wellshire Inn, tries "to relate to each group on its level. For example, if I'm addressing fifth graders, I tell them about how I got my start in foodservice at their age while competing in a school fair. I don't tell them that they'll definitely end up as the CEO of an international bank, although one of my ex-employees did. I try to keep it to the real world and say that doing good, honest work is an admirable goal to shoot for." Goto was recently honored by the Big Sisters of Colorado for his contributions to the well-being of the state's youths.

Helping applicants

Just as underprivileged youngsters, or those unfamiliar with the industry, need to be taught about the industry in terms they can understand, they also have to be treated with a sensitivity to their background once they come to apply for a job in a restaurant. Empathetic role models can help smooth the difficult transition into the working world.

According to Herman Cain of Godfather's Pizza, "They don't need to be treated differently—just fairly and consistently like everyone else. They need to feel they are being given an opportunity."

Goto says understanding is a key word when kids in T-shirts, shorts and sandals turn up to apply for a job at his upscale restaurant. "I try to tell my staff that many of these kids have never been in a nice restaurant. Some of them are almost hostile, so it's important that they are treated with kindness. We try to make them feel comfortable by treating them as courteously as we do our customers. They have to be slowly molded, and teaching is an important part of my job."

According to John Draper of the Keys Group, whose entry-level employees are usually inner-city youths, "We really work with these kids. This industry has a bad reputation because it's always, 'My way or the highway.' If you want these kids to become humble, you have to motivate them by giving them a sense of worth. You have to demonstrate that it's okay to be a person who says, 'Yes, ma'am,' and 'Yes, sir.' "

One of the ways Brady Keys wins over his employees, says Draper, is by showing a sincere concern for them. "In addition to giving employees the opportunity to advance, he forms a sense of family," says Draper. "He gets involved. He sends flowers if there is a death in the family, and highlights good jobs with personalized notes."

Community-based programs

Although some restaurateurs easily reach out to the community on their own initiative, other operators are becoming role models through organized career and tutoring programs that link the business and educational communities. Bill Dawson, partner in a Round Table Pizza franchise in Madera, California, became involved in community service by sponsoring tutors for the Madera Linkage Foundation, a nonprofit group formed to improve local public education.

"I didn't intend to use my participation in the program as a recruiting tool," he says, "but it turned out that way. Since the tutors are already on the restaurant payroll as a part of the program, they often end up working a few shifts at the restaurant. And when I go into schools to discuss the practical applications of math in the working world, for example, I manage to get a few applicants."

Several other organizations that use role models to link the business and educational communities are more foodservice-specific than the Madera program. In Chicago, the Careers for Youth program reaches out to schoolchildren using role models from the foodservice industry. Up to 30,000 students, mostly inner-city minorities, have heard a variety of speakers discuss their jobs. The program, now under the auspices of the Educational Foundation of the National Restaurant Association, is being finetuned for national expansion.

Speakers in the Careers for Youth program include executives and accountants, as well as sous chefs and delivery staff. "One role model who gets the best response is an articulate black chef who always brings along batches of cookies that he has baked," says Reuben Cordova, program chairman. "In general, we try to grab young people on their way up to be speakers. We put no limitation on who can serve as a role model."

In New York City, a smaller nonprofit program called Irenecs also uses speakers to tell high schoolers about the hospitality industry. But the program has heightened the role-model experience by taking small groups of students, many of whom are from underprivileged or immi-

COMMUNITY ACCESS NEWS

A Keys Group Publication

FREE

DETROIT'S POSITIVE NEWS CONNECTION

DREAMS

grant families, on eye-opening field trips to restaurants and hotels.

According to Robert Kesten, president of Irenecs, "the response is phenomenal" when he takes students, many of whom have never been in a hotel or restaurant, inside some of the city's top operations. The restaurateurs who give of their time to talk to the children become instant role models for them. "And as the students get a greater understanding of the business," says Kesten, "you can see it becoming a viable career option for them."

Rather than promoting foodservice employment, Irenecs is geared toward demonstrating that education plays a key role in getting a good job. But restaurants fit the program perfectly, says Kesten, "because you can't walk into a restaurant without realizing the jobs take math skills, communications skills and even computer skills. They see that their schooling applies directly to the workplace." Larry Panish, owner of Lox Around the Clock, Pipeline and the Moondance Diner in New York City, has participated in the program and says, "It gives the kids a peek at what's possible, and lets them see where they can end up if they want to. Even if it reaches 10 percent of the class, the program is worthwhile."

Dispelling fears of prejudice

According to Kesten, the students in Irenecs have no preconceived negative or positive notions about the hospitality industry. "But the one thing they bring to the program is a great fear of prejudice. It means a lot to them when they are told that color doesn't matter and that what's important is that you work hard."

There is no doubt that one of foodservice's strongest selling points is the open ladder to opportunity brought about by the industry's fast growth. Foodservice employs more minority managers than any other retail industry. But a more effective way to learn that the industry is gender-blind and color-blind, however, is to see a woman or minority group member in a position of responsibility. For example, Hispanics in the Irenecs program were impressed when they went to the Algonquin Hotel and met the Hispanic head of housekeeping, who started out as a maid and now is in charge of a 44-person staff. "It's really eye-opening for them," says Kesten. "It challenges them and expands their options."

Other operators agree that the opportunity to see a variety of ethnic groups working together is one of the great benefits of field trips to restaurants. As Leo Goto of the Wellshire Inn laughingly says, "When kids come to my restaurant they see we've got a real 'rainbow coalition.' I'm Japanese, and we've got a Dutchman and a Persian as well as Thais and Chinese."

Parents can be allies

Both Kesten of Irenecs and Reuben Cordova, chairman of Chicago's Careers for Youth, agree that parents can be valuable allies in the fight to convince youngsters that the industry is a good place to work. At a well-attended Careers for Youth Hospitality Career Day last year, for example, parents, as well as hundreds of students, were invited. "By the end of the day," says Cordova, "several mothers had even come forward asking for information about jobs in the industry for themselves."

Brady Keys also emphasizes that the need to involve the community and families in any efforts to improve the industry's image among youths. For example, Keys Group invites the community to participate in its athletic leagues and activities, such as the recent "Family Day" at one Burger King unit on the East Side of Detroit. The day included speeches from community leaders, games and children's activities, music from employees and the Keys Group Gospel Singers, and a candlelight dinner.

In addition, Keys Group publishes a free monthly newspaper, *Community Access News*, which has a circulation of 50,000. The newspaper, says editor Crystal Mayo, "deals only with positive news. For example, it features high school kids who have distinguished themselves through academics rather than athletics." The back page of each 16-page issue is reserved for a message from the Keys Group.

It's a long-term investment

Whether with a group like the Madera Linkage Foundation or within a single organization, such as Keys Group, role-model activities are clearly providing guidance and inspiration to youngsters who are potential foodservice applicants. Like any effort that deals with youth, however, the programs take time to yield results.

According to Bill Dawson of Round Table Pizza, role-model activities "have a long-term rate of return that's difficult to measure now. But hopefully it will reduce turnover and help establish a good reputation in the community. People in a small community will deal with someone who puts something back."

The bottom line, says Dawson, is "You don't have the right to complain if you don't like the way kids are coming out of schools and you don't do anything to change them. Our community is doing something about it. And in the long run you get a better product."

Unfortunately, says Brady Keys, not enough restaurateurs look favorably upon "long run" investments with results that cannot be clearly measured. "They don't think of something as a good investment unless they see money rolling immediately into the tills," he says. "It takes time to develop an image within the community. But if you're going to build a foundation, you might as well build it on rock." ❑

Viewpoint

ETHICS IN THE RESTAURANT BUSINESS

by Robert E. DeZinno

If I meet one more person at a cocktail party who tells me how lucky I am-to be in a "cash" business, I'll scream. I am sick and tired of our industry being perceived as an unethical group of wheelers and dealers. It just isn't true. I want this perception of my industry to change. I know that I have paid every nickel of my tax duty since I opened my first restaurant seven years ago. And that's been about $1.2 million to the great state of Connecticut alone! And I am not the only one. But I wonder what my tax bill would have been last year if everyone else had paid their full freight?

I staunchly believe that an ethical business is a better business. Many experts concur. According to internationally known consultant and trainer Don Cipriano of Cipriano & Associates in Waterbury, Connecticut, an ethical business is a more productive business. "The manager or owner isn't spending any time 'covering up' discrepancies or 'backtracking' through his records. He's spending all of his time doing what must be done— running the business."

Areas of concern

Several areas of our business deserve attention with regard to ethics. A business operating ethically must assess its practices in these areas and must institute policies and procedures to guard against any violations, even if unintentional. The first step is, of course, a written policy about the business's intent to operate in a completely ethical manner, its expectations of ethical behavior by all personnel, and its manner of dealing with violations of that policy. Such a policy must come from the top. All employees must perceive that the owners and managers are truly committed, that they practice what the policy preaches and that they will enforce these policies in the operation.

☐ **Employee-related ethics concerns.** There could be an entire book written on the subject of ethical practices in the area of employee relations. It goes beyond paying taxes and reporting all wages. Ethical employment practices touch on your beliefs about race, sex and age discrimination, the human worth of each and every employee in your company, your respect for your workers as people, and your honesty with them.

Have your ever fired an employee for a reason other than what you said at the time of termination? If you have tried to make that employee the kind of worker who could be successful with you before you decided to let him or her go, then there is no reason to say anything other than the truth: "I know you've tried, and I appreciate that, but you just don't have what it takes to make it with us. We would both be better off if you found employment elsewhere." Simple!

☐ **Guest-related ethics concerns.** Some states have enacted "truth in menu" legislation. How well would your operation stand up to an inspection? If your menu tells the weight of an item, is it *always* exactly as specified? If the precooked weight is the one declared, does your menu state that? What about your descriptions of origin? *Nova Scotia salmon . . . Jumbo Gulf shrimp . . . the lobsters you eat today slept last night in Penobscot Bay . . .* Very specific descriptions of the origin of our product were once considered just verbiage on our menus, but it's now a point of law in many states. Fines can be as high as $500 for each misrepresented item!

Watch out for the word "fresh." In most states it means "never frozen," yet many operators use it to mean "of good quality." The frozen-food industry will argue that a properly frozen product is at times better than one that has been held too long at moderate-temperature refrigeration, and that might well be true; but your guests must never be misled into believing that your product is other than it really is. Would you sell any less "crabmeat salad" if you called it "our own seafood salad," remembering that it's probably the taste that made it popular, not the name? I'll bet you'd sell as much of it with an honest name as you do now!

☐ **Government-related ethics concerns.** Taxes. Nobody likes to pay them, but we all benefit from them. Savvy operators have learned how to avoid taxes, not evade taxes. The Targeted Jobs Tax Credit (TJTC), long fought for as a great economic benefit to our industry, is just one example. It's helped us create jobs for that sector of our society that needs help the most, and at the same time has helped us reduce our tax bills.

Proper tax accounting, offered by your CPA, is highly recommended. Making the right investment decisions with the help of a professional tax planner can take the sting out, too.

But what about self-imposed tax savings—unreported earnings? That's illegal, morally wrong, and a crime. I believe that unless the government changes its perception of our industry as being part of the underground economy, we can expect more legislation such as employer taxes on tips and reduced deductibility of business meals.

Good guys will finish first

The best businesses of the '90s will be the most honest. They will deal honestly and ethically with their employees, their customers, their government and, most importantly, with themselves. Think again about what Don Cipriano said: "The manager or owner isn't spending any amount of his time 'covering up' discrepancies, or 'backtracking' through his records. He's spending all of his time doing what must be done . . . running the business." I know as my business grows into the '90s, I want to spend all my time looking forward—not looking over my shoulder. ❑

Bob DeZinno is president and founder of Restaurants Unlimited, Inc., in Waterbury, Connecticut, and is owner and operator of two restaurants, a banquet facility and an off-premises catering operation. He is also senior associate of Robert E. DeZinno & Associates Hospitality Consultants, a member of the adjunct faculty of Mattatuck Community College in Waterbury, Connecticut, and president of the Connecticut Restaurant Association.

SHOW REPORT '89

Fans come out for Reagan

Industry statesmen salute students

Role models at Chefs Stage

Show floor highlights

International standards at Culinary Arts Salon

Speaker headliner Patricia Neal charms audience

Pennsylvania team wins ice-carving competition

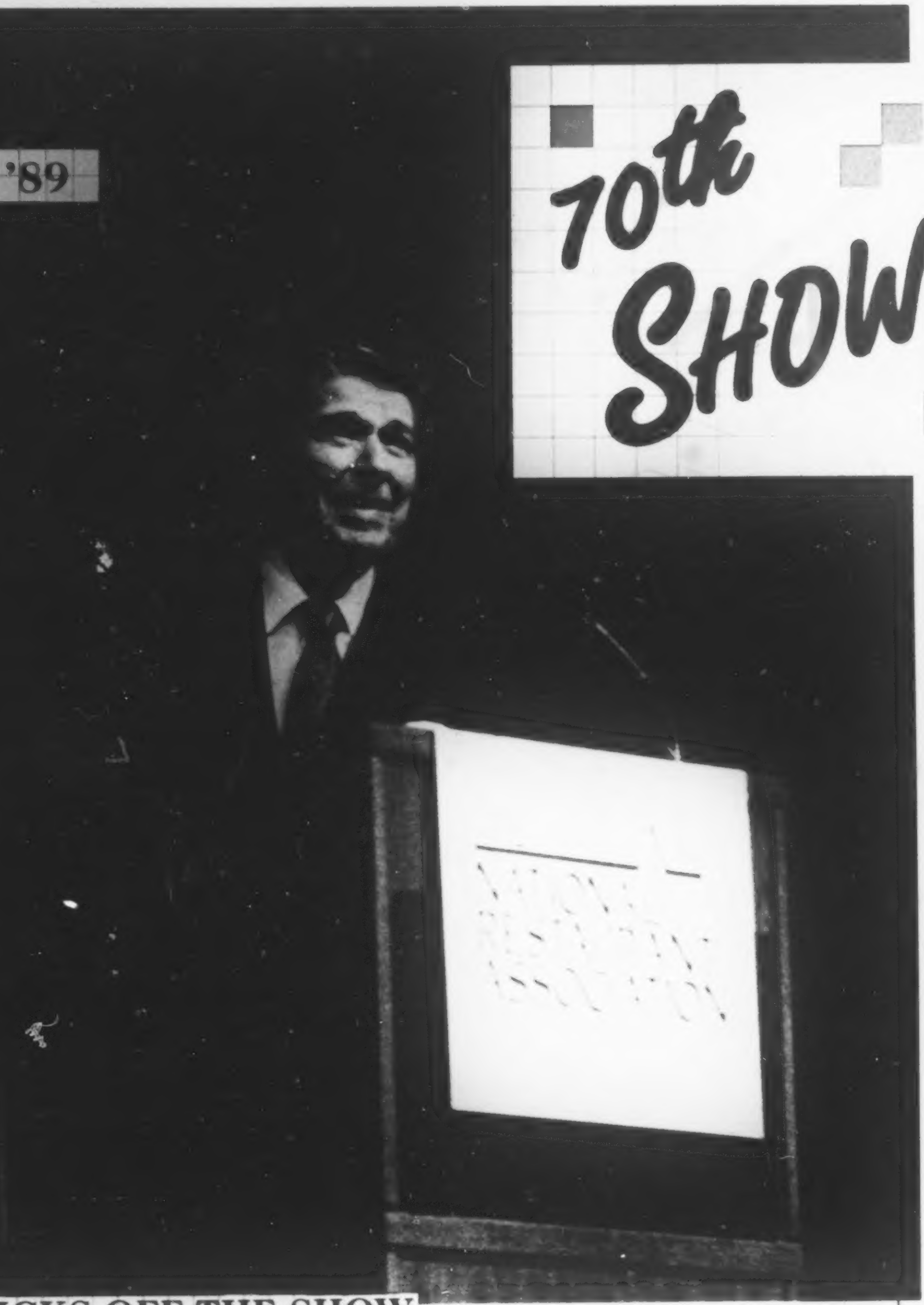
Bob Newhart on stage at Gala

Industry turns its attention to solid-waste problem and needs of the disabled

International excitement grows for Show: more international visitors

3,000 enjoy best weather ever at Main Course

See: *"Short Orders," "Washington Report," "Boardroom"* for more news



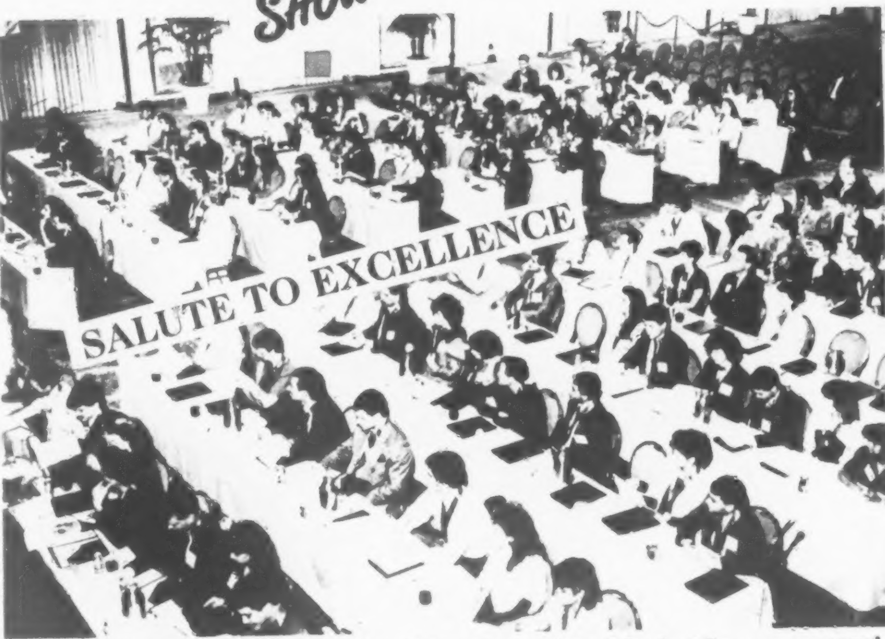
THE GIPPER KICKS OFF THE SHOW

The audience of 4,000 applauded wildly as former President Ronald Reagan came on stage of the Arie Crown Theater to officially open the 1989 Show. It was clear he was among fans. As he delivered his 20-minute speech, he was interrupted several times by applause and sympathetic laughter; and in the 40-minute question-and-answer session that followed, he was bombarded with requests for handshakes, autographs and kisses. Reagan's speech, however, was more than a message of goodwill for the restaurant industry. He aimed harsh attacks at legislators, especially in the area of fiscal restraint, and called for a balanced budget, a presidential line-item veto, the repeal of the 22nd Amendment (which forbids a President to serve more than two terms) and public vigilance against gerrymandering after the 1990 census. Reagan urged restaurateurs to apply public pressure to make lawmakers listen. "With the Congress, it is not necessary that you make them see the light. Make them feel the heat," he said.

A GATHERING OF SUPERSTARS

It was a gathering of superstars. You could feel it. There was excitement, enthusiasm and a vitality that was almost tangible. On the one hand, there were 174 of the brightest, brassiest, most gifted foodservice and hospitality students in the country. On the other hand, there were several dozen of the most successful, most giving and most dynamic leaders in the industry. And when they came together there was a spark—almost a transmission of energy.

In the daylong program of activities, the leaders and students interacted freely. Some of the operators spoke from the podium, others across tables at lunch and dinner. There was an eagerness to share insights, to provide encouragement and guidance. And the students wanted to know. They came equipped with pointed questions that ranged from the future of fast food to attracting more minorities into the industry.



This year 174 students took part in the "Salute to Excellence" Student Forum, sponsored by The Educational Foundation of the National Restaurant Association. They were selected on the basis of academic performance, career interest, industry work experience and achievements by the deans and directors of 92 hotel, restaurant and institutional management programs at U.S. colleges and universities.

Typical was the question from a student who asked: "If you work for a place with no standards of excellence, how do you change the situation?" The answers were forthcoming. "You should light up the room with your enthusiasm," advised Walter Conti, president of the Conti Cross Keys Inn in Doylestown, Pennsylvania. "Take it on as a personal challenge," recommended Norman Brinker, chairman of Chili's, Inc., in Dallas. "Ask, 'What are our standards? Where are we going? How can I be of help?'"

A PARADE OF EXCELLENCE

Entering the international ballroom of the Chicago Hilton and Towers Hotel, the nation's top foodservice/hospitality students paraded before 1,000 business and educational executives who attended the third annual "Salute to Excellence" banquet.

MAKING FRIENDS

The students were filled with questions for one another and the panelists. Here Andy Agamaite, senior, Wisconsin Indianhead Technical College; Valerie Resler, senior, University of Illinois; and Wendy Wood, senior, Purdue University, get to know each other during the forum.

Both Conti and Brinker sat on the morning's roundtable, whose members were this year's inductees into The Educational Foundation's prestigious College of Diplomates. Sharing the podium with them were Carl Karcher, chairman of Carl Karcher Enterprises in Anaheim, California; William J. Tobin, president of the foodservice division of Nabisco Foods Company in Parsippany, New Jersey; and Jerome J. Vallen, Ph.D., dean of the William F. Harrah College of Hotel Administration at the University of Nevada at Las Vegas.

"Don't become an intellectual couch potato," admonished Vallen. "Honor your commitments," said Tobin. "Hire qualified people," urged Karcher. "My success has been from people. Don't worry that they'll show you up; they'll move you up."

CHERISHED SOUVENIRS—FRONT TO BACK

SALUTE TO
CHICAGO '89

Arney Einarsdottir, a junior at California Polytechnic-Pomona, California, beams as she receives a souvenir T-shirt and medallion. Almost as thrilled—and just as proud—is National Restaurant Association Vice President Michael Hurst, who moderated the forum and co-chaired the event with association past president Ted Balestreri.

In the afternoon session, the same messages continued—messages to think and act like a leader but to do so with a sense of fairness, commitment and humility. "There is no right way to do the wrong thing," said Jim Collins, chairman of the board of Collins Food International. He was one of nine panelists singled out for their industry achievements. The others were Ralph Brennan, co-owner of Mr. B's Inc. in New Orleans; Herman Cain, president of Godfather's Pizza; Hal Daugherty, president and chief operating officer of Edward Don & Company; John Farquharson, president of the ARASERVE sector of ARA Services, Inc.; Susan Feniger and Mary Sue Milliken, co-owners of City and Border Grill in Los Angeles; Lawrence Levy, chairman of the Levy Restaurants and The Levy Organization; and Robert F. Voelker, area vice president of operations at Stouffer Hotels and Resorts. All the speakers recounted personal experiences as examples of lessons learned.

Herman Cain also offered an analogy to help students make decisions about their careers. "Every time you make a decision, it is like standing at a bus stop. The bus will go by with a sign that says 'new opportunity.' Do you get on or do you stay put?" he challenged, adding: "You may know where it is going, but you don't know where it will end up. And you don't know when the next bus will come by."

The students in the audience applauded with a recognition lighting up their eyes. They knew they had already gotten on more than one "bus" to get to the forum. And although no one can know which others they may board, one thing was certain—many are already standing in line. ❑

NORMAN BRINKER: MENTOR EXTRAORDINAIRE

In 1952 he was on the Olympic Equestrian Team, and in 1954 he competed for the world championship title. Every since, he has been a winner—and thinking like one. That's Norman Brinker, chairman of Chili's, Inc., in Dallas, who has been faithfully living out his lifelong creed, "I can do what I set out to do"—and teaching others to do the same. In 1957 Brinker formed Jack in the Box. The company soon prospered, and then in 1965 he started Steak and Ale. Twelve years later he started Bennigan's, and in 1984 he founded Chili's. In the intervening years he employed more than 1 million people and earned a reputation of helping people do what they do best. This has led to loyal, high-quality performance and exceptionally low turnover in his management ranks. This year he won an IFMA Silver Plate.

Norman Brinker (left) is inducted into the College of Diplomates of The Educational Foundation of the National Restaurant Association during the Show. Pictured with him is Jack Laughery, Chairman-Elect of The Educational Foundation.

Brinker told the enthusiastic students at the Salute to Excellence Forum to develop the mindstate of winners and these characteristics of success:

1. Integrity.

2. A set of personal standards, which keep changing. "If you simply continue to do what you've been doing, you're not going to make it."

3. Initiative.

4. Energy and good health habits.

5. Perseverance—"The attitude that you will *not* quit."

6. Thinking of yourself as a leader (not a manager). "Leaders lead people; managers manage things."

"Although you cannot motivate someone else," Brinker said, "you can give them the tools to motivate themselves." These include respect, support, authority, responsibility and recognition. "Winners go where winners are," Brinker said.

THE FINE DETAILS OF CULINARY ART

The Culinary Arts Salon was packed for each of its four days with spectators, chefs and culinary-arts enthusiasts who came to pick up tips on the fine details of culinary-arts technique.

In the style of last year's salon, the salon was divided into two sessions, with medals awarded in each. New this year was the judging, which was done in accordance with the International Culinary Standards, approved at the Congress of the World Association of Cooks Societies in March of last year.

Salon judge Stephen Miller said, "We come here to meet people and learn from each other." Miller noted that some of the most interesting work came from the less-experienced culinarians competing in the salon. He said these participants often come up with fresh, exciting ideas that are later adapted by more seasoned professionals.

Salon session one

Lawrence McFadden of West Virginia's Greenbrier Hotel won the "Best of Show" award for the first session of the Culinary Arts Salon. McFadden received the award for his offering of individual dishes, including a smoked partridge and pasta medley.

Sgt. John Vogels of the U.S. Army Quartermaster School in Fort Lee, Virginia, received a gold medal for his entry of petits fours and decorated cake with marzipan sculptures. His entry also earned him the Baron Galand Award for Best Entry by a Junior Culinarian.

Judges' Special Awards went to Brian Cotter for his seafood platter and hors d'oeuvres, John Vargo for his old-fashioned stove made of bread dough, and Dale Gregory of Sullivan College for his elaborate sculpture of a dragon presented with French pastries. Both Cotter and Vargo represented the U.S. Army Quartermaster School.

Salon session two

Alex Darvishi of the Athletic Club of Columbus, Ohio, won the "Best of Show" award for the second session with his entries, which included a main course of flank steak stuffed with rabbit loin and rabbit forcemeat and a dessert of cold pistachio souffle. Darvishi won a gold medal in the cookery category.

Faustino Rivera of the Exchange National Bank in Chicago won a gold medal for his entries, which included vegetarian mousse, breast of pintail and a butter sculpture. He also earned the Baron Galand Award for Best Entry by a Junior Culinarian.

Other second-session highlights included Judges' Special Awards to Mario Etemad of St. Joseph Mercy Hospital in Pontiac, Michigan. Also a gold award winner, Etemad won for such dishes as loin of lamb with spinach in mint sauce. Junior culinarians receiving Judges' Special Awards were Marta Brown, for an assorted bread display; Santiago Padilla, for his wedding cake and petits fours; and Guillermo Tellez, for such dishes as lobster with angel hair pasta, stuffed quail and chicken mousse.

Brad Toles of the Red Lion Inn in Lincoln, Nebraska, won a special award for his concept of integrating Midwestern food into his "country kitchen" theme. Scott Hoyland of Shipley Grille in Wilmington, Delaware, also received a special award in the cookery category for earning the highest total points for the category. His display featured all local Delaware ingredients (except for salmon) in such dishes as reversed salmon ravioli, steamed vegetable torte, and braised lamb shanks. Kimberly O'Hayer, of ARA Services in Greensboro, North Carolina, received a special award for her chocolate carving and marzipan painting.

The culinary team from the National Center for Hospitality Studies at Sullivan College in Louisville, Kentucky, won more medals than any other school competing in the salon. The team from Sullivan College posted a similar victory last year. ❑

A MENU FOR A TERRIFIC DAY

With an infectious exuberance and the energy of a windup toy in high gear, executive development leader Ed Foreman shared his recipe for "a terrific day every day."

He told his enthusiastic audience that all it takes is 30 days of consistent effort to make a habit of feeling good. But that effort must begin from the moment you awaken. "Every day you have a choice of what kind of day you'll have," he said. "Make time to appreciate life." He recommended starting each day with inspirational reading, thanksgiving and devotion, some exercise and a nourishing breakfast. Then you must weed out all the negative remarks and thoughts you "automatically" make and focus on all the good things that happen.

"As you speak and as you think, express only hopeful, enthusiastic ideas. Be a possibility thinker and a can-do achiever. It will become natural to you to expect the good, the positive and the beautiful in life. Then you'll begin to feel new enthusiasm for your job, greater respect and appreciation for yourself, and you'll start having a worry-free, happy, successful life." ❑

LEARNING THE "FOUR Ds"

The key to effective self-management is learning the four Ds: drop, delay, delegate and do, said dynamic presenter John Lee in his management clinic "The Challenge of Self-Management."

"We have to see time as a key resource. Most people undervalue their time," Lee claimed, as he outlined four steps to manage time.

The first step is to drop things that are unimportant. The easiest way to do this is "to clarify objectives in every aspect of business where results are important." Once you've clarified your objectives, there is no need to waste time on other tasks.

The second step is to delay. "Set some rules for delaying productively," urged Lee, who suggested "bunching" tasks to finish them all at one time. He also encouraged participants to delay decisions or actions if they are feeling angry or emotional.

A critical third step is delegation. "Make a 'to delegate' list as well as a 'to do' list, so that you will delegate effectively," Lee recommended. He also pointed out that other reasons for delegation exist besides the desire to get things done. "Delegating is a primary way we develop employees—and motivate them, too."

Lee urged attendees to create a "master plan" to make the last step—doing—more productive. "Where do you want to be five years from now?" Lee asked the audience. "Once you've created your master plan, look at it daily and update it constantly to figure out how you're doing."

Lee summarized by pointing out, "It's not just what you do, but how you do it. The style and enthusiasm you bring to things is what gives you the satisfaction." ☐

Undaunted. Regal. Moving. That's Patricia Neal. Or as she prefers to describe herself, "a single shining beam of sunlight on the shore." Speaking to a capacity crowd at the Show, Neal discussed the successes and tragedies of her life with a touching simplicity—as an observer watching herself—in the rich woodsy timbre that has been her trademark as a leading lady of the American theater. No setback, no matter how great, can squelch a spirit determined to take its place in the world, she said. "I can stretch out my hand and give living evidence. . . . When one door of happiness closes, another opens, but we look too long at the door that is closed."

INGRID WALLACE

"We are responsible," proclaimed Ingrid Wallace in her theater presentation "Management by Responsibility." And that means 100 percent in every situation. "People are victims only by consent."

LUCKY NEW MEMBERS

NATIONAL RESTAURANT ASSOCIATION

Convention chairman John Metz accepted a raffle prize for new association members from Gus Heismann of KD Kanopy.

Welcome to the 90 new members who joined the National Restaurant Association at the Show. Getting off to an auspicious start were these lucky winners of the new-member drawing.

☐ **Ben Garrison,** House of Ribs, Johnson City, Tennessee. *Prize:* Two cherrywood tea chests, donated by Sugar Foods Corporation of New York City.

☐ **Mark Larabel,** Russo's Ristorante and Pizzeria, Grand Rapids, Michigan. *Prize:* Computer software for food-cost management, donated by Computer Hospitality Systems of Orem, Utah.

☐ **Roger Laun,** Boomer's Outback Restaurant, Muscatine, Iowa. *Prize:* Canopy, donated by KD Kanopy of Arvada, Colorado.

☐ **Mara Levi,** David's Deli, Vail, Colorado. *Prize:* High-pressure steam cleaning system, donated by HurriSystems of Norman, Oklahoma.

Without commitment there is no excellence, Terry Bradshaw proclaimed.

RESTAURANT
ASSOCIATION

Joyce Goldstein felt at home in front of the Chefs Stage audience as she tasted her recipes and passed along tips.

ROLE MODELS UP CLOSE
FOUR WOMEN CHEFS SHINE AT CHEFS STAGE

A new age has dawned for women in the foodservice kitchens of this country. There was a time when women were dismissed as not having enough physical strength or creativity to handle the work of preparing three and four-star restaurant meals, but that time has passed.

At this year's Show, four stars of the Chefs Stage were women—women who have made a name for themselves as culinary innovators. Three of them hailed from California, and the fourth came from Australia. Each chef brought her own distinct background, personality and style to the event.

A special partnership

Mary Sue Milliken and Susan Feniger of City and Border Grill in Los Angeles have a unique partnership that brings out the best in both of them. They have known each other from their early days—fresh out of culinary school—when they met in the kitchen of Chicago's renowned Le Perroquet. Milliken was in fact the first woman to work in Le Perroquet's kitchen, and she started at the bottom—peeling shallots. When she was moved up to pastries, Feniger came on board to replace her. The two became close friends as they followed each other from station to station, learning as much as they could. They went their separate ways for a couple of years, studying abroad, but they kept in touch. When Milliken found herself running the small kitchen at City Cafe in Los Angeles, she invited Feniger to join her. Soon they were owners and operators of the restaurant by its new name—Border Grill. The partners subsequently launched City Restaurant, which was an immediate hit.

From watching the two work together during their Chefs Stage performance, it was evident that they have a unique chemistry and a very approachable style. Even during preparation, there was a singleness of purpose as they gathered their ingredients and consulted on the use of unfamiliar utensils and appliances and the placement of their props. And while they worked on their two dishes—a warm shredded-chicken salad and a Thai pork-dumpling soup—their running commentary blended smoothly for a creative teaching style.

Throughout the demonstration, both women constantly tasted the food—not an accident, but a philosophical decision that Milliken explained, "You have to taste things constantly—up to 20 times for one dish while you're preparing it. You have to stop what you're doing and think about the taste so you can proceed. And you also have to try to imagine what the complete dish will be like." Milliken proved this point toward the end of the session. Upon tasting the soup, she announced, "Needs soy." Feniger had a quick comeback: "That's why she's my partner."

Along with their Chefs Stage appearance, Milliken and Feniger participated in the Salute to Excellence student forum held during the Show. When a student addressed the issue of sexism by asking, "Is it easier to be a woman chef on the West Coast?" Feniger replied fervently, "The industry is wide open to everyone now. If we had spent a lot of time worrying about being women, we probably wouldn't be as successful today."

The one piece of advice they seemed most anxious to pass along to the students was: "Always remain humble. . . . There is no need to prove what you know. Learn as much as you can from people, and success will happen naturally."

"Stay humble and be willing to learn," was the message Mary Sue Milliken (left) and Susan Feniger gave to students at the Salute to Excellence student forum. The partners took time to autograph copies of their new cookbook, *City Cuisine*.

MOROCCAN CHARMOULA

An excellent marinade for fish, lamb or chicken

Ingredients:
1 Tbs. paprika
½ tspn. cayenne pepper
2 tspns. ground cumin
6 cloves garlic, minced fine
½ cup lemon juice
½ cup chopped parsley
½ cup chopped cilantro
1 cup good olive oil
Salt and pepper to taste

Method:
Combine all ingredients in a bowl with a whisk.

Extended with a little extra olive oil and vinegar, it also makes an excellent vinaigrette on grilled tuna, served with an assortment of vegetables, such as grilled peppers, grilled eggplant and little roast potatoes. It is also good on cooked sliced chicken breasts combined with strips of peppers and onions to make a Moroccan chicken salad.

—Joyce Goldstein

A seasoned professionalism

In a country noted for its strong masculine image of ranchers and outdoorsmen, Elise Pascoe—chef, TV cooking-show star, author and critic—is a breath of fresh air from the Land Down Under. With her gleaming white chef's jacket and perfect hair and makeup, Pascoe looked every bit the polished TV performer. Her self-assured demeanor has come through years of building on her culinary expertise by studying, traveling, running a catering business, writing, editing and teaching.

Among her many other culinary pursuits, Pascoe acts as spokesperson for the Australian Meat and Livestock Corporation, and her pride in Australian meats was evident in her preparation of two dishes—beef short ribs with a mustard-herbed crust and poached lamb with a horseradish cream.

Pascoe drew on her broad knowledge of food and cooking as she shared some tips with the audience, among them how meat should feel when it is ready. "Raw meat feels like the flesh between your forefinger and thumb when your hand is barely opened," she claimed. "If you stretch your hand wide, it will feel like meat that is overdone." She instructed the audience to feel for a "springiness" in meat that is cooked correctly.

Pascoe also recommended what types of wine would go well with the dishes she prepared. That Pascoe's wine expertise is respected in her own country is evidenced by her appointment as a director in the Australian Wine Society—the first woman director in the society's 45-year history.

NATION
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Elise Pascoe's polished presentation of meat dishes from the Land Down Under reflected her experience as a TV cooking-show host.

A shining role model

Joyce Goldstein's name is mentioned in every list of prominent women chefs in America, and whether or not she sees herself as a role model for women starting out, her warm personality and love for her craft make her a shining example of success in the restaurant world.

Goldstein came to the Chefs Stage from her famous San Francisco restaurant, Square One, which serves a variety of foods that reflect her special love for Mediterranean, Italian and Greek foods. Goldstein explained to the audience that her interest in these foods really began during the late 50s and early 60s when she traveled in those countries. "Those were tastes that I missed [when I returned to the United States]," she recalled, so she tried to replicate some of the flavors. Although there is no one recipe for any regional favorite—her discovery of the many versions of spaghetti carbonara while in Rome taught her that—there is always one recipe that becomes a personal favorite. These personal favorites are what Goldstein brings to her customers.

On stage, Goldstein was comfortable and obviously relaxed, no doubt a holdover from her many years of teaching. As she periodically tasted her Moroccan Charmoula marinade (see recipe), Goldstein passed along some tips: "Chop the cilantro and parsley fine—but not too fine—you don't want to lose the texture," and "Remove the sprouts from the garlic—they give it a bitter taste, and this is the time of year sprouts appear."

Although Goldstein had been studying and teaching about cooking for 20 years, it wasn't until 1980 when she went to work for Alice Waters at Chez Panisse in Berkeley that her career in restaurants really began. She started making bread, pizza and pasta; moved on to prep work, soups and salads; and eventually ended up doing it all—from ordering to staff training. She had no illusions when she decided to open her own restaurant in 1984; she knew it would mean long hours and dedication.

In her response to a question from an attendee who asked how she perceived her public image and the image of her restaurant, she said in her warm, straightforward style, "I think of my restaurant as the symbol of my home. I want it to reflect my personality. I try to do what is true to myself and can only hope it expands to please my guests." ❑

THE MEN AT CHEFS STAGE

NATIONAL
RESTAURA
ASSOCIAT

Many talented male chefs brought their special recipes and cooking tips to share with Show attendees. Among them was Mark Miller of the Coyote Cafe in Santa Fe, New Mexico. ❑

70th SHOW

THE MANY FACES OF THE SHOW

More than 100,000 attendees visited the Show floor this year to stay abreast of all the new industry trends. Many exhibitors unveiled new products and new lines at the Show.

Is it the return of the Stone Age? Not really, but "hot rock cooking" has caught on in some areas of the country, and the sound and smell of fresh sizzling meat drew curious crowds to the Frieling USA, Inc., booth where the innovative cooking technique was demonstrated.

Hot-rock cooking employs nonporous stones from the Alps that have the ability to hold very high temperatures for 45 minutes or so. The rocks are heated to 450-500°F and brought to the table in special trays so that customers can cook their own meals, without burning themselves or the furniture. And hot-rock cooking is healthful as well as fun, since there is no need to add any fat to the stones.

You have to be ready when opportunity knocks. And sometimes it may spurt when you least expect it. That's what happened to first-time Show exhibitor John Ronan, who was digging for a well during the Aussie drought of 1986. Instead of water for his livestock, what gushed up was sparkling mineral water—100 million gallons per year. He decided to bottle it. The name "Walkabout Springs" comes from an Aboriginal expression that means "to go from place to place in search of better things." The kangaroo logo comes from an Aboriginal cave drawing. The taste is anything but ancient, however. The most popular flavor at the Show was the kiwi fruit.

SPRINGS
WITH PURE FRUIT JUICE

America's love affair with sports continues, if the Show floor is any indication. There were Sports Stirs—swizzle sticks in the shape of checkered flags, skis, racquets, golf clubs—helmets and ball-shaped taps for sports bars, and a helmet nacho tray.

CONCERN FOR THE ENVIRONMENT

Many products and marketing techniques on the Show floor this year reflected a growing concern for the environment. "Biodegradable" and "chemical-free" were two of the words that kept popping up on booth signs and sales literature. Products as diverse as grease-eating agents and trash compactors tackled the issue of how restaurants can adopt environmentally safe cooking, cleaning and waste-disposal practices.

Typical of the kind of innovations seen on the Show floor was first-time exhibitor Grease Eater International of Cleveland. The company exhibited products that do just what the company name says—eat grease—but without the use of chemicals or enzymes. Grease Eater worked with DuPont to create special fibers that collect grease and

GREASE EATER
INTERNATIONAL

hold it for safe disposal. Company vice president Gary Seesholtz designed three products that use these fibers to collect grease during restaurant cleaning and keep it from entering the sewage system. The first is Grease Police, a 12-by-12-inch mat designed to handle emergency grease spills that occur in restaurants. Each mat absorbs 20 times its weight in animal or vegetable fat. The mat is thrown over the spill for quick absorption, then discarded.

The second product is Mop Mate—a packet of the

ASSOCIATION

△
Show attendees may have thought the Heavenly Hot Dogs van was just another mobile foodservice unit on display. But a closer look at the van revealed its very special purpose—providing a business opportunity for physically disabled entrepreneurs. With its entrance ramp and carefully designed interior, the Heavenly Hot Dogs mobile unit is designed to accommodate a wheelchair-using operator.

Heavenly Hot Dogs, Inc. is not the only foodservice company that has recognized the advantages of providing opportunities to disabled employees. The association's Projects with Industry program held a press conference to call attention to foodservice organizations that have sponsored training programs for workers with various disabilities.

ALSO ON THE SHOW FLOOR

☐ Stove-top smoker
☐ Fiber-optic fabrics that glow in the dark
☐ Fraudulent-bill detector
☐ French-fry vending machine
☐ Portable dance floor
☐ Folding room-service tray
☐ Laser karaoke
☐ Multi-lingual receptacles
☐ Jukeboxes shaped like cars, boats
☐ Multi-rod sharpener for serrated knives
☐ Oversized antique posters for nostalgic decor
☐ Hawaiian flatbread
☐ All-natural, energy-packed tea
☐ Wine-flavored salad dressings
☐ Foil for the microwave
☐ Immigration and Naturalization Service booth ❑

grease-absorbing fibers that floats on the top of the water in the mop bucket. Mop Mate is attached to the wringer handle or bail with a handy tie, to absorb the grease that collects at the top of the water. One Mop Mate packet lasts a long time, says Seesholtz.

The third grease-absorbing product is an all-purpose wipe. The super-absorbent wipes are machine washable and are as durable as normal bar mops. As a concerned environmentalist and animal-lover, Seesholtz had a chance to prove how effective the wipes can be in very special circumstances. He donated the wipes to a group that worked to save wildlife after an oil spill. The fibers in the wipes helped to absorb the oil from the delicate feathers of birds.

Seesholtz, who is a veterinarian as well as an entrepreneur, is a strong believer in protecting the environment. "It is a re-education process—for the fast food industry especially," Seesholtz noted. ❑

SOLID WASTE: THE NEED FOR ACTION

The Show floor was not the only place where concern for the environment was exhibited. As one of his first official acts, the National Restaurant Association's incoming president Harris "Bud" Rusitzky addressed the issue of solid waste.

During a press conference, Rusitzky named solid waste as his first area of concern for his term as president. "There is a false perception that our industry is a great contributor to the problem of solid waste in our country. In fact, restaurant waste represents less than one percent of the content of landfills." He pointed to the visibility of fast food wrappers as one of the causes for the misperception.

Rusitzky called on the restaurant industry to turn the situation around by co-operating with state restaurant associations, local agencies and governments, to come up with solutions to waste-disposal problems. He also discussed recycling as a solution—especially of cardboard, which represents a significant proportion of solid waste.

In the educational sessions, the management clinic, "Will the Government Take Away Your Takeout?," Nancy Sherman, vice president of public affairs for the Foodservice and Packaging Institute in Washington DC, focused on the issue of solid waste and its impact on the foodservice industry. ❑

"AWESOME" PRODUCTS WITH KID APPEAL

At least 50 exhibitors on the Show floor displayed items designed to catch the interest of youngsters from balloons, bibs and baby chairs—some with twinkling lights—to premiums, giveaways and rides. Not all of them were new or innovative, to be sure, but there were some that could keep the younger set thinking of a restaurant and nudging their parents to return again and again. Here's a sampling.

Splashies make a splash

Take a plastic placemat filled with liquid and intriguing items that move with the touch of a hand. And what you have is a Splashie—an interactive placemat that was designed to keep little customers busy for a long time. According to inventor Don Perrin, marketing director of Catena International, Inc., kids often get bored and hungry for attention at restaurants, and their parents welcome distractions. Products like Splashies fill

Show-goers couldn't keep their hands off the liquid-filled Splashie placemats.

the void. Some customers have even been buying them for home use. "It's tough to keep them in stock," reports Bob Knapp of Bob Knapp's Restaurants in Bloomington, Illinois.

Four popular Splashies feature a juggling clown with movable balls, race cars whirling around a track, honeybees buzzing a bear and a train going around a track. The placemats are durable—not possible to destroy by puncturing—and easy to clean. Other Splashie products include menu covers and pouches. On the drawing board are cups and other accessories. ┘

Let's hear it for teamwork! Two members of Jimmy's Running Team of Hammond, Indiana, were the top male and female finishers of the Ninth Annual Main Course Race held during the Show. Tim Warneke was the race's overall winner with a time of 31 minutes and 15 seconds. Warneke's teammate, Cindy James, was the top female finisher, with a time of 36 minutes and 30 seconds.

Other award winners included Keebler Company, the top corporate team, and Pizzeria Uno, the top team among Show attendees.

Viewpoint

SEEING THROUGH THE EYES OF A CHILD

by Ken Strottman

In the world of promotional marketing, the difference between an unprecedented success and failure can be the difference between a toy robot and a Transformer, or a plain doll and a Cabbage Patch Kid. It is up to marketing professionals to know the difference and determine what kind of promotional premium and/or license will increase sales and accomplish specific objectives.

As competition continues to heat up in the fight for chain-restaurant business, so does the correlating interest in designing the "perfect" family restaurant promotion.

From kids' mealboxes to charitable donations, promotional marketing to the child-and-family market is more fiercely competitive than ever before. Unfortunately, as everyone in the business is aware, there is no simple how-to formula for developing a sales-shattering premiums campaign. There is one key rule we live by, however. We call it "seeing through the eyes of a child."

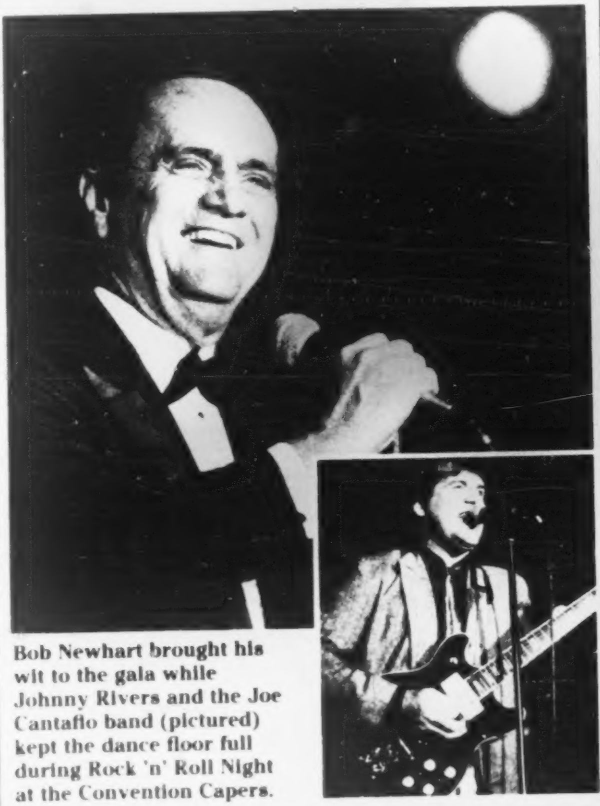
With so many simultaneous promotions appearing in the marketplace, it is of the utmost importance to be constantly aware of the latest in lifestyle changes and developing trends to set your promotion apart. In a juvenile-based market, such as family restaurant promotions, a missed hit television series or an overlooked upcoming megahit movie, can mean lost promotional successes.

You must constantly read, watch and listen. The myriad choices are sometimes astounding. The world of motion pictures, television, music, fashion, art and even the trends of the street all have an effect on selecting the most current, most appropriate and freshest promotional program.

My advice is this: Watch MTV for 30 minutes each week, go to kids' movies, watch the television programs kids are watching, and read trade and consumer magazines that cover all related industries, such as film, video and television. Go to the local park, beach, mall or other gathering spot for kids, and be sure to look at their fashions, listen to their language and watch their interests.

In short, enjoy your youth all over again. Make it your business to keep current, aware and interested. However, not all lifestyle news is in the present tense. Also be aware of nostalgic styles that may be making a comeback. Early television series, old favorite screen stars, fashions and must-haves from 50 or more years ago all have a predictable way of creeping back into the mainstream of American life. Be the predictor.

Ken Strottman is founder and president of Strottman Marketing, Inc., a full service marketing company in Irvine, California, that specializes in promotions directed at children and families.



Bob Newhart brought his wit to the gala while Johnny Rivers and the Joe Cantaflo band (pictured) kept the dance floor full during Rock 'n' Roll Night at the Convention Capers.

No more "oops!" A carrier called Cup-Tote, introduced on the Show floor, gives consumers a new option to carry their favorite drinks. Each cup is suspended above its center of gravity and the flexibility of the polyethylene allows the carrier to be jostled, bumped and swung around without fear of spilling. ▽

△ Bud and Joan Rusitzky enjoy their first official moments.

△ Using chainsaws, chisels and other finishing tools, the Pennsylvania team of master ice carvers was named Grand Champion in the National Restaurant Association's second annual Ice-Carving Classic. It won with a technically challenging "Devil's Archway," which included a woman brandishing the devil's trident.

Nine teams competed in the Ice-Carving Classic, including teams from Japan, Canada and Mexico and six teams from the United States.

A GROWING INTERNATIONAL FLAVOR

Each year the Show is visited by a growing number of international buyers and exhibitors. This hasn't happened by accident, according to Convention Chairman John Metz. An international marketing program, coupled with past successes in making dealer contacts and selling products, has helped boost international attendance.

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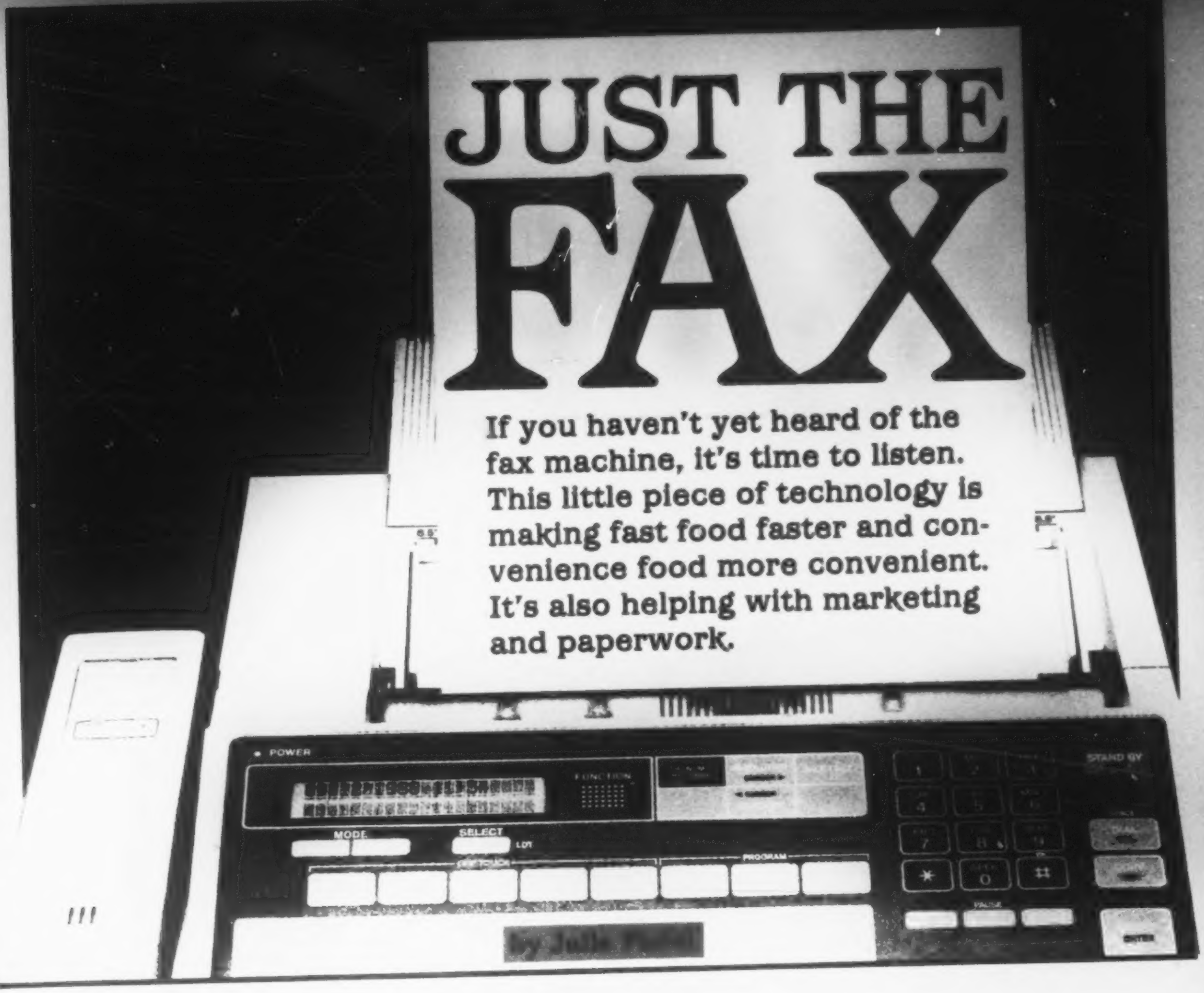

JUST THE FAX

If you haven't yet heard of the fax machine, it's time to listen. This little piece of technology is making fast food faster and convenience food more convenient. It's also helping with marketing and paperwork.

by Julie Fintel

As life gets more hectic and people try to cram more into their days, a little machine is making life easier—or at least faster. It's the fax (short for facsimile machine)—a 15-by-15-by-7-inch piece of hardware. The fax machine, which operates by using telephone lines to transmit digital signals, can send, receive and reproduce written material—everything from letters and contracts to menu orders.

Fax is fast

Restaurateurs who operate fast food and takeout operations, especially in sections where there are lots of businesses, have been eagerly acquiring fax machines, reasoning that the new technology is one way to make fast food faster and convenience food more convenient. They believe that if they can save their customers' valuable time by having an order ready at a designated time, and accurately filled, they will be a step ahead of their competitors. As Christina Torres, whose comedy club in Seattle has just begun a lunch takeout business, puts it, "Everyone is going after the takeout dollar. We want to be the ones who make it easier, and I think you can do that with a fax machine."

Faxing food orders has some definite advantages over calling in by phone. First, it frees up the telephone. Second, written instructions leave less room for error—orders by voice can be easily misunderstood. And third, the person ordering can do it at his or her convenience.

Phil's Lunch Box, with 11 branches in business districts in Washington DC, acquired fax machines for its stores a couple of months ago. Phil's urges its customers to keep a copy of its menu on hand and fax in choices the afternoon or evening before, or up to 11 a.m. on the day of pickup. The company promises the order will be ready at the designated time. The minimum for a fax order is $10; $50 to have it delivered.

Phil's, which prepares party platters and caters business luncheons, is hoping to use its fax machines primarily to fill orders for large groups.

New York City's Second Avenue Kosher Delicatessen and Restaurant has had a fax machine since September 1988. Owner Abe Lebewohl values it for its accuracy. "We have countermen of all nationalities," he says. "They have problems with English and their writing isn't always clear. With a fax there are mistakes, but at least they aren't our mistakes."

At Skipjack's, an upscale seafood restaurant in Boston, fax orders are confirmed with an order number sent

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Julie Fintel is a regular contributor to ***Restaurants USA.***

back by fax, to make sure the information has been transmitted accurately.

On Wall Street, at least two of the fast food chains, Domino's and McDonald's, have faxes in their stores. McDonald's, which opened two days before Christmas, now fills an average of 15 faxed orders a day, accounting for between $400 and $500 worth of business.

In St. Cloud, Minnesota, Darrell Peterson, owner of the Flat Iron, a small tavern specializing in hamburgers and beer on tap, uses a fax to receive orders. But when he expanded his restaurant and couldn't afford to hire the extra help needed, he came up with another use for the machine—he substituted it for a waitress. Now customers in the new second-story dining room fill in special order forms and fax them to the kitchen below. It's working fine, Peterson claims—so well he eventually plans to put a fax on every one of the room's 24 tables.

Fax facts

While the technology of fax machines has been around a long time (it was invented in 1842 by a Scottish clockmaker), the fax machine, as we know it today, has only been around 20 years. Plummeting prices account for the boom that resulted in one million fax machines being sold last year alone. The National Office Machine Dealers Association predicts that number will more than triple in 1989, and that fax transmissions will jump 36 percent—up from 6.6 million last year. The American Facsimile Association also sees the fax becoming as essential as the office copy machine, with orders skyrocketing. But consumers still see them as novelties. "It's unbelievable; it's like a toy to me," says Lebewohl of Second Avenue Deli. Brenda Duncan, senior marketing manager of the Houston region for McDonald's Corporation, finds a fax machine is a good marketing device. "Customers enjoy the novelty," she says.

Because the machines are still relatively uncommon, restaurateurs agree "if you've got it, flaunt it." Phil's displays posters throughout its stores and places flyers at the cash registers to extol the fax's selling points. Many operations distribute handbills to businesses in the neighborhood, with the restaurant fax number always in large, bold-faced type. Others pass them out to potential customers in centralized locations, such as subway stations. Among them is Wok on Wheels, a marketing and delivery system in Washington DC, that uses a number of Chinese restaurants to fill orders. Customers call or fax in an order. It is then sent by computer to the kitchen of the participating restaurant closest to the client. The order is filled within 30 minutes or the customer gets a $3 discount. The minimum order is $12.

Some operators even use the fax itself for marketing, sending menus or notices of specials to customers by fax. But getting a business's fax number can be a delicate matter. Fearful of having their machines tied up by junk mail, many businesses don't want their fax numbers to be a matter of public record. Lawrence Larson, head of public relations and operations for Michela's, an upscale eatery in Cambridge, Massachussetts, calls on top executives to sell the food and services offered by the restaurant's new takeout operation. If the company is interested in receiving notices by fax, he asks for the fax number and the name of a contact person.

Which fax?

When you decide to buy a fax machine, how do you choose which one it will be? Lawrence Larson, head of public relations and operations for Michela's in Cambridge, Massachusetts, began by going to trade shows. Other operators report having talked to friends and having read consumer publications. All agree it's best to decide what you can afford to spend and which features interest you. Costs range from $900 to more than $6,000.

Some features to consider are an automatic paper cutter, automatic document feeder, memory features such as built-in automatic dialing that can store frequently used fax numbers, and programming capabilities that let you program the machine to transmit a document to a given number of receiving sites when phone rates are lowest. Speed may also be important—some machines are faster than others—so you can save on phone bills as well as time.

Consider also what service agreement will come with your purchase and how much time the company is willing to spend training you to use the machine. Then choose your fax, and enter the world of fax food.

Taking the fax to the max

Fax machines in foodservice operations don't have to be limited to order taking. In fact, many restaurants use them just as other businesses do—as a faster, more accurate means of communicating with other branches, with their headquarters or with other businesses. The Lunch Box stores, in pre-fax days, used to send a messenger every day to each branch to gather up all paperwork. Now the manager simply faxes that information once a day to the main office. "Just from the standpoint of intercompany communication, it [the fax machine] is worth it," says owner Stratton Liapis. "Everything else is icing on the cake." The Lunch Box is also hoping purveyors will get fax machines. "For example, if our manager places an order with a meat company, we have a written record; it doesn't tie up our phone lines, and we don't have to wait for a sales representative to call."

The process works well in reverse, too. Phillips seafood restaurant in Washington DC gets the latest fish prices from its vendors by fax to stay abreast of market changes.

The downside

While most fax owners are enthusiastic, others think the machines leave something to be desired—namely the personal touch. New York's Zabar Deli has a fax, but most customers prefer to phone in their orders or come in person to the store. Hugo Matos, assistant to owner Murray Klein, thinks that's because they like to get some advice before settling on a purchase.

Perhaps someday, in this wonderful age of technology, someone will invent a fax machine that talks back. And better yet, perhaps someday someone will think of a way to fax the food itself to the customer's place of business. Then we really could talk about faxed food. ❑

THE MENU AS STAR

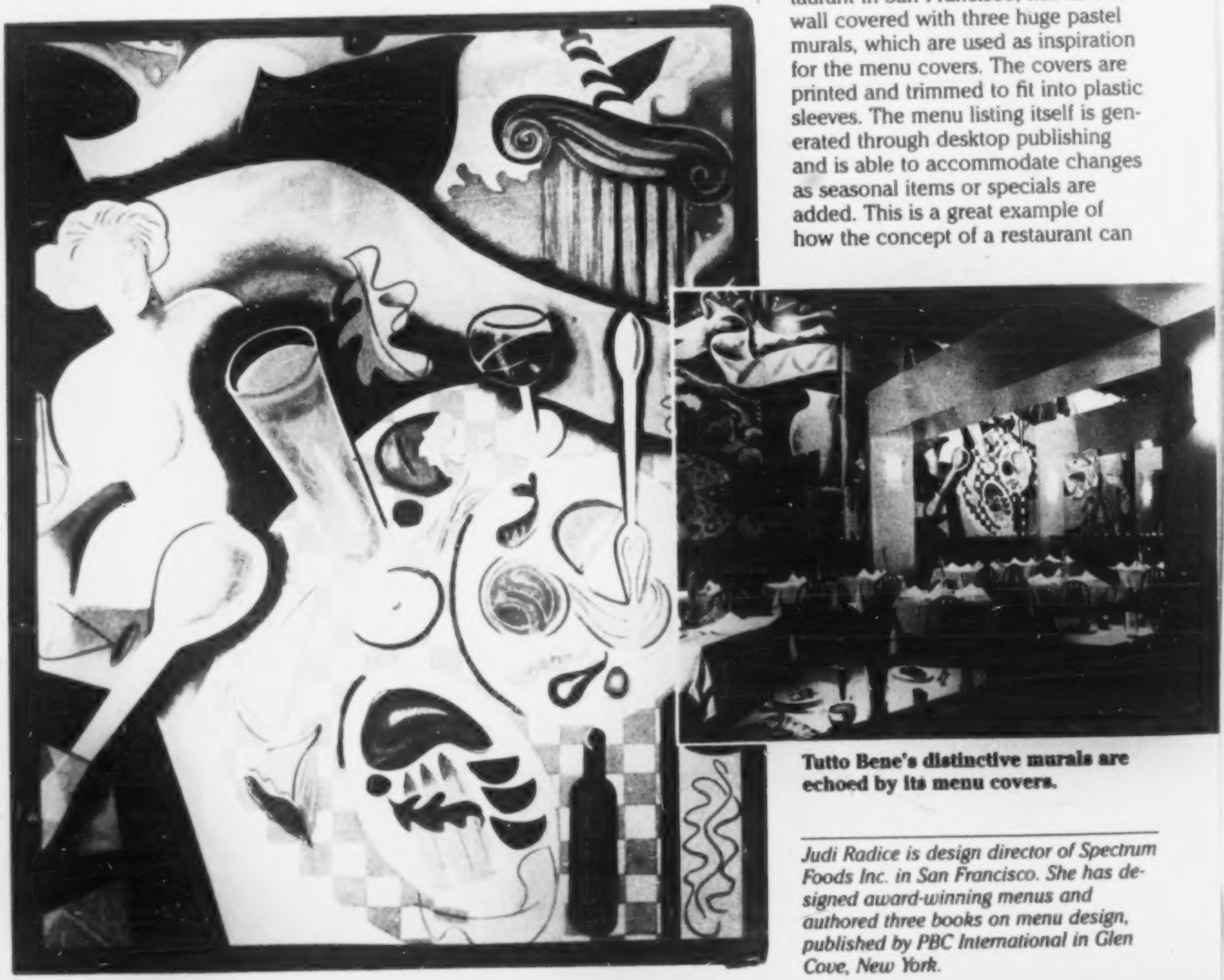
by Judi Radice

Once the doors of the restaurant are open and the diners take their seats, the menu takes its place—center stage. Whether it rests invitingly on the table or comfortably in the customer's hands, it is an introduction to the evening's dining experience. What it says and how it says it announces to the customer what to expect.

Planning

Planning is critical in developing a successful menu. So often the menu presentation is the victim of afterthought, and a good idea can be lost through bad execution. The menu items and graphics should be considered at the earliest stages of designing a restaurant. Once the concept and the theme have been identified, the wheels of conceptualizing the menu and restaurant graphics should be in motion. The more consideration given to this, the more likely the finished product will blend into the total concept of the restaurant.

Tutto Bene, a northern Italian restaurant in San Francisco, has its back wall covered with three huge pastel murals, which are used as inspiration for the menu covers. The covers are printed and trimmed to fit into plastic sleeves. The menu listing itself is generated through desktop publishing and is able to accommodate changes as seasonal items or specials are added. This is a great example of how the concept of a restaurant can



Tutto Bene's distinctive murals are echoed by its menu covers.

Judi Radice is design director of Spectrum Foods Inc. in San Francisco. She has designed award-winning menus and authored three books on menu design, published by PBC International in Glen Cove, New York.

be carried through into the menu presentation.

Details to consider

In much the same way as a play is composed of characters, plot and set, in creating a menu there are a variety of details to consider—from the subtleties of typeface, logo, paper texture, size, weight and choice of color, to the menu item descriptions themselves. The more time is allowed, the greater the likelihood that the menu will incorporate elements that establish the philosophy and visual identity of the restaurant.

Since cost is a critical factor, the menu should be as flexible as possible, so it can accommodate changes and improvements without excessive expense. This is especially important when creating a menu presentation for a new restaurant. Because the initial menu might last only a month or so (as the restaurant evaluates the practicality of the menu presentation), a small initial run or a flexible format to facilitate change is wise.

Seasonal items and the availability of wines present some of the biggest challenges in designing menus that will not be outdated by the time they reach the table. There is nothing more disturbing to the customer than discovering that the restaurant is "out of a few things on the menu." You can avoid this by implementing daily menus or additions, or by having a basic menu that will accommodate changes—either by utilizing your own computer or the help of a local service bureau if the restaurant does not have a computer. With the growth of desktop publishing, the possibilities for greater flexibility and creativity are more accessible and financially feasible than ever before.

Menu content is, of course, a critical element. Despite the efforts of even the most proficient server, a cluttered or misleading menu can be as disruptive as an actor who forgets his lines. The copy is the direct means of telling customers what the restaurant has to offer. It must be clear and concise and communicate a message. The ingredients, method of preparation and taste of the finished dish are some ways to describe listings.

THE '21' CLUB
21 WEST 52 STREET · NEW YORK

Even shopping bags tie in to the menu at the "21 Club."

Knowing the audience plays an important part in menu design. A restaurant whose patrons do business over lunch should use concise, straightforward language on its menu. The wording on a children's menu, on the other hand, should be entertaining. If a foreign language is used, translations should be provided to avoid intimidating customers.

Finally, of course, every menu should be organized to emphasize those items the restaurant wants to merchandise. And whatever the menu says, it should be consistent with the total concept of the restaurant, supporting and enhancing the customer's expectations.

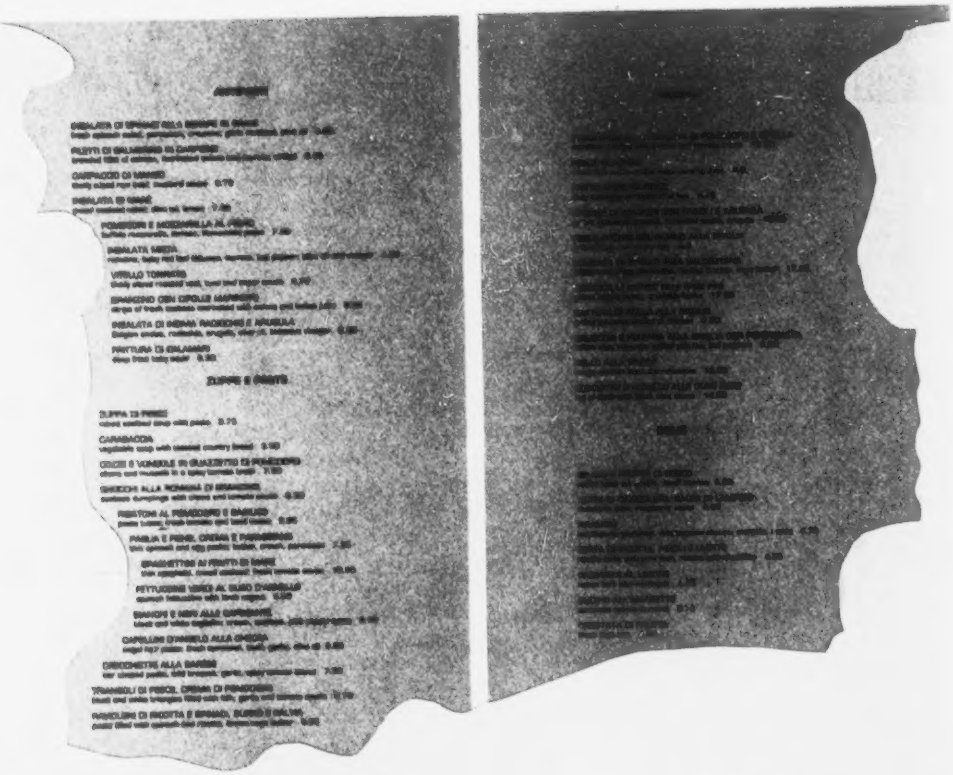
Durability

Durability is an important factor for the protection of menus and printed matter that are handled frequently. Just how long you can expect menus to last has to do with how they are protected. There are many types of protective coatings that can be applied to menus, depending on whether the paper is coated or uncoated. There are film lamination (dull or glossy), varnish, UV and Marcoat—to name just a few. Since each circumstance is unique, it's best to consider the choice of paper and method of coating before the menu is produced. The length of expected use and the available budget will help determine options. Obviously, a daily-changing menu will not need coating as much as one that will be used over and over again.

Coating also affects the image on the paper by enhancing or detracting from it, and a specific color ink changes with the surface on which it's reproduced. The same ink on coated paper appears different on uncoated paper or on a colored paper stock. If there is a special color to match, the ink should be tested before the printing actually takes place, so there are no surprises. Since there are so many choices and considerations that ultimately affect bottom-line costs, it's best to work with someone experienced in the fields of design and printing who can help you make the best decisions. Each restaurant is unique and no single solution can apply to all.

For instance, Guaymas, a Mexican seafood restaurant in Tiburon, California, uses a leather-like synthetic durable paper for the menu cover and a paper resembling tortilla chips for the insert containing the menu items and wine list. The insert paper is preserved with a book lacquer. This menu integrates well with the concept and look of the restaurant.

With its blue cover and scalloped edges, the menu for Tutto Mare ties in with the restaurant's elegant, nautical theme.



tutto mare

© Beatriz Coll

At Ciao, a very chic, bright and lively northern Italian trattoria in San Francisco, a paper placemat that is attractive, functional and understated—much like the restaurant itself—is used for the menu presentation. The placemat prominently displays the logo, evocative of lipstick handwriting on a mirror. The affordable menu blends with the restaurant's interior design, but commands attention without stealing the show.

Finally, so much depends on the actual physical properties of the menu. The subtle uses of color, graphics, logos and typefaces in a restaurant are as important as the costumes, set decoration and stage lighting in the theater. In our visually oriented culture, even the slightest details can have significant effect. The menu should tie in with the signage, napkins, matches and business cards. A notable example is the "21" Club in New York City. It even has shopping bags!

In short, the menu should stand by itself as the star of a major production. ☐

Credit-card use at restaurants is growing

Credit-card spending is on the rise. Major-credit-card spending alone reached $235 billion in the United States in 1987—up from just $79 billion in 1980—an average annual growth rate in credit-card expenditures of nearly 17 percent. This article examines what's happening with credit cards in different segments of the foodservice industry and discusses consumer perceptions and use of various major credit cards.*

NPD CREST research shows that credit cards are penetrating all segments of the restaurant industry. In 1988, credit-card expenditures accounted for 8.1 percent of total foodservice sales—up from 6.4 percent in 1982. All three industry segments—quickservice, midscale and upscale—have seen steady increases in credit-card charges since 1982.

Upscale restaurants experienced the greatest proportion of credit-card expenditures, with charges accounting for 29 percent of 1988 sales—up from 21 percent in 1982. As a general rule, the more expensive a restaurant, the greater the percentage of credit-card expenditures. Higher-check, upscale establishments reported that credit-card charges represented 40 percent of sales in 1988, compared to 22 percent for moderate-check, upscale operations.

Credit-card use varied among different upscale concepts. Higher-check steak and varied-menu restaurants rang up the highest percentage of credit-card sales (43 percent), followed by hotel and seafood restaurants (36 percent). Among moderate-check upscale establishments, relatively high levels of credit-card use were exhibited by barbecue restaurants (27 percent) and steakhouses (24 percent).

Customers showed much less of an inclination to charge purchases at midscale and quickservice restaurants. Credit-card purchases accounted for 5 percent of 1988 sales at midscale restaurants and only 1 percent of quickservice sales. However, with the recent entrance of major credit cards into the quickservice market, this figure is expected to increase in the years ahead.

Who uses credit cards?

More households now have credit cards. In 1986, 71 percent of all U.S. families had at least one credit card, up from 51 percent in 1970, according to the Survey Research Center at the University of Michigan.

According to a 1986 study by the Survey Research Center, as family income increases, so does the likelihood of owning a credit card. In 1986, 97 percent of all families with annual incomes in excess of $50,000 had at least one credit card, compared to only 42 percent of families with annual incomes of less than $10,000.

Higher-income families were also more likely to incur greater credit-card debt, with families earning more than $50,000 averaging $2,364 in outstanding credit-card balances, compared to $533 for those making less than $10,000 annually. However, 63 percent of families with annual incomes in excess of $50,000 said at the time of the survey that they had no outstanding credit-card debt, in contrast to 37 percent of families with annual incomes less than $10,000.

Survey results indicate that middle-income families (those earning $30,000 to $50,000) could be caught in a squeeze of consumer debt. Seventy-one percent of these families stated that they had an outstanding credit-card balance, the highest percentage among any income family. Six out of 10 of these families indicated that they hardly ever or only sometimes pay off their monthly credit-card debts in full.

The survey shows that there is some, but not much, disparity in the age of people and their likelihood of being cardholders, with the youngest and oldest adults being the least likely to have credit cards. In 1986, 57 percent of family heads less than 25 years of age had a credit card, while 68 percent of those over 65 years held one.

How do consumers perceive the major credit cards?*

Consumers think that of the four major national credit cards VISA is the most widely accepted credit card and that American Express is the most prestigious

Consumer perception	VISA	MasterCard	American Express	Discover
Most widely accepted	39%	23%	21%	2%
Most prestigious	20	14	44	4
Best service	20	14	20	8

(n=1000)

*Asked only of those respondents who had more than one major national credit card

Source: *Gallup Bank Advertising News Poll*, March 1989

**Includes expenditures for American Express, MasterCard, VISA, the Discover Card and Diner's Club.*

How many restaurant expenditures are charged?

Credit-card use at restaurants is increasing

	Percentage of restaurant expenditures that are charged		
	1982	**1987**	**1988**
All restaurants	**6.3[illegible]**	**7.63%**	**8.10%**
Quickservice restaurants	.61	.70	.88
Midscale restaurants	3.30	4.87	5.23
Upscale restaurants	21.18	27.23	29.23
Moderate-check, upscale restaurants	—	21.07	21.69
Higher-check, upscale restaurants	—	37.31	40.11

Source: NPD/CREST, *Annual Household Reports*—1982, 1987, 1988

About 8 out of 10 family heads between 45 and 54 years had a credit card—the highest proportion among all age groups. Seventy-three percent of family heads in all other age groups carried a credit card.

How people use credit cards

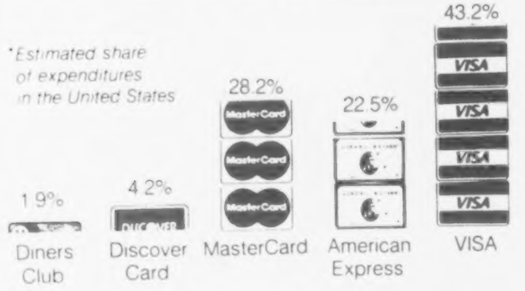
A series of studies conducted between 1970 and 1986 by the Survey Research Center and the Board of Governors of the Federal Reserve System examines how and why different types of people utilize credit cards. Findings from the studies show that cardholders generally conform to either one of two patterns of credit-card charging behavior: "convenience use" for transaction purposes and "installment use" for financing needs. Convenience users almost always repay outstanding balances within the allotted interest-free grace period, while installment users or revolvers usually roll over their balances from month to month and incur finance charges. There is roughly a 50-50 split in number among those who fit into each category.

Convenience users typically charge a larger amount on their credit cards in a specified period of time than revolvers do. In 1986, the average monthly amount charged by convenience users was $366, compared to $267 for revolvers. The amount charged by revolvers and convenience users rises steadily with the income, age and educational attainment of the family head. As retirement age approaches, spending levels off, then declines.

Results from the study also show that the older and the higher-income family heads were more likely to be convenience users. In 1986, just more than two-thirds of those surveyed who had annual incomes of $50,000 or more were over 65 years of age and almost always paid their monthly credit-card bills in full. On the other hand, the second-highest-income and second-oldest family heads were more likely to be revolvers. Only 40 percent of those with annual incomes between $30,000 and $50,000 and 45 percent of those between 55 and 64 years of age almost always paid their monthly credit-card charges in full and on time. Lower-income households and younger household heads, too, were more likely to be revolvers.

Which credit card has the largest market share?*

VISA is the market-share leader



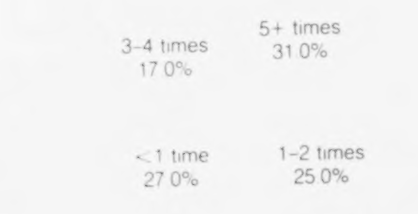
Source: Sanford C. Bernstein & Co., Inc.

Looking ahead

Credit-card use and expenditures have increased rapidly in the last several years, both at restaurants and at other retail establishments, and are likely to continue to do so in the future. According to Sanford C. Bernstein & Co., Inc., an investment-management company, major credit-card expenditures should reach $266 billion in 1988 and exceed $300 billion by 1990.** Moreover, the credit-card industry is undergoing some dramatic changes, forced upon it by competition and new technology. Credit-card companies are aggressively marketing to consumers and have recently expanded their offerings of benefits available to cardmembers to include such services as cash withdrawal at ATMs, personal liability and property damage insurance, and

How often did consumers use credit cards in 1988?

In 1988, nearly a third of all credit-card holders used their card(s) five or more times a month



Source: MasterCard International

***1988 and 1989 estimates do not include figures from Diner's Club* frequent-flier bonuses with certain airlines. In fact, industry experts are forecasting that it won't be long before the introduction of "smart cards," cards equipped with computer chips that will be able to electronically debit a customer's bank account and credit a merchant's account as soon as a purchase is made. This and other exciting future developments should present some interesting opportunities for restaurant operators to cash in on the transition to a more cashless society.

—*Sebastian O'Kelly*

Which credit card is used the most?*

Consumers say they use VISA more than any other credit card

Credit card	All consumers (n=366)	18 to 34-year-olds (n=126)	35 to 54-year-olds (n=194)	55 years old+ (n=99)
	Percentage of respondents using card the most			
VISA	35%	29%	35%	44%
MasterCard	25	26	26	21
American Express	11	14	13	3
Discover	5	6	1	9
J.C. Penney	5	7	6	1
Sears	5	6	4	4
Other cards	5	5	6	5
Don't know/refused	2	1	2	2
None	7	6	6	10

*Asked only of those respondents who had more than one major national credit card

Source: *Gallup Bank Advertising News Poll*, March 1989

Market-share leaders

VISA is the market-share leader among the major credit cards, holding 43 percent of total credit-card expenditures in 1988, according to Sanford C. Bernstein & Co., Inc.. MasterCard is the closest competitor, with a 28 percent market share; followed by American Express, at 23 percent; Discover, at 4 percent; and Diner's Club, at 2 percent.

VISA's dominance is due to a wider merchant and customer base (more than 6.5 million establishments worldwide accept the VISA card). Consumers also use VISA more than any other card. According to a 1989 Gallup-Bank Advertising News Poll, 35 percent of survey respondents stated that they used their VISA card more than any other credit card, and 39 percent felt that VISA was the most widely accepted card among establishments. Twenty percent said that VISA had the best service, the same percentage that cited American Express.

Older consumers said they were more likely to use VISA; 44 percent of those 55 years old and older said they did so, compared with 35 percent of 35 to 54-year-olds and 29 percent of 18 to 34-year-olds.

VISA has recently entered into agreements with two major fast food companies to set up credit-card operations. Test-market results have shown VISA purchases at these fast food establishments to average 75 percent higher than cash transactions.

The most prestigious card

In the Gallup-Bank Advertising News Poll, 44 percent of respondents cited the American Express card as the most prestigious credit card, more than double the 20 percent reported for VISA. This perception may be related to American Express's relatively affluent clientele. American Express cardholders have an average annual household income of more than $62,000, and 80 percent are in professional, managerial, technical and sales occupations. Sixty-five percent of American Express cardholders are men.

Eleven percent of consumers said they use American Express most among their credit cards, far fewer than for VISA and MasterCard. However, a higher percentage of younger and middle-aged consumers said they use American Express the most than did older individuals. Fourteen percent of 18 to 34-year-olds and 13 percent of 35 to 54-year-olds labeled American Express as their card of choice, compared to 3 percent of those 55 years old and older.

According to the Nilson Report, a credit-card-industry newsletter, there were 30 million American Express cardholders worldwide in 1988, third in number behind top-ranked VISA at 185 million and MasterCard at 137 million. Yet the American Express card accounted for nearly one-fourth of all credit-card expenditures in 1988, which indicates an above-average annual expenditure rate for American Express cardholders. According to the American Express Company, cardholders use their card in restaurants at an average of three times a month, for a total of $150.

New card on the block

Since its introduction in 1985, the Discover Card has quickly emerged as a force to be reckoned with in the major-credit-card market, accounting for 4 percent of expenditures in 1988. By aggressively marketing to Sears credit-card holders as well as to new customers, the Discover Card has gained appeal among many middle-income groups. The average cardholder is 46 years old and has an annual income of $35,900.

Overall, 5 percent of consumers identified the Discover Card as their most frequently used credit card, according to the Gallup-Bank Advertising News Poll.

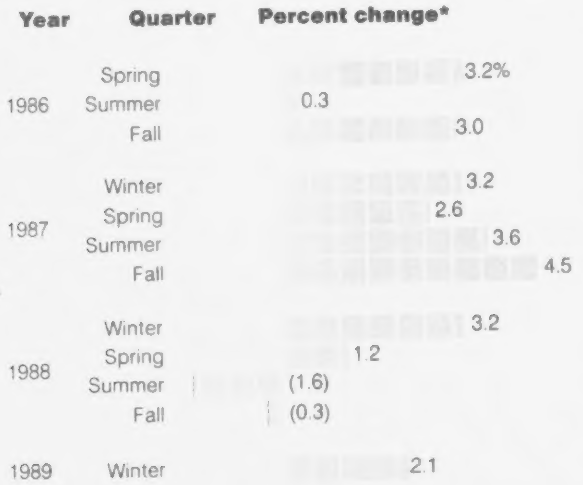
The Discover Card is most popular with both older and younger customers. Nine percent of those 55 years old and older named the Discover Card as their most-used credit card, and 6 percent of those between 18 and 34 years of age stated the same. Only 1 percent of 35 to 54-year-olds cited the Discover Card as the one they use the most. Fifty-one percent of Discover cardholders are women. ❑

1989 winter quarter CREST* report

After a year in which total restaurant-industry traffic advanced a sluggish 0.5 percent, 1989 started out on a somewhat brighter note, with first-quarter traffic up 2.1 percent over the same period a year ago. This gain comes after two consecutive quarters of traffic declines.

Percent change in quarterly traffic spring 1986–winter 1989

After two consecutive quarters of decline, traffic rebounded in the first quarter of 1989



Percent change is over prior year

Source: NPD CREST, *Quarterly Household Reports*

Upscale establishments reported the largest increase in customer counts, up 4.5 percent, and the number of eater occasions at quickservice eateries advanced 3.3 percent. Customer traffic at midscale operations, however, dropped by 1.9 percent in the winter quarter.

Takeout continued to be the driving force behind industry growth, with the number of off-premises eater occasions gaining 5.2 percent. All segments of the industry experienced increases in traffic to go, with upscale restaurants witnessing the largest gain at 7.8 percent (see chart).

On-premises eater occasions dipped a slight 0.2 percent in the winter quarter. Only upscale restaurants saw an increase in on-premises traffic, up 4.3 percent.

Restaurant patronage at lunch and dinner increased 1.6 percent for the quarter but decreased slightly (0.3 percent) at breakfast. Takeout traffic rose at all three meal periods, with the largest gain, at 5.7 percent, coming at breakfast. Off-premises lunch visits advanced 5 percent, and dinner visits rose 3.5 percent. However, traffic fell at all three meal periods for on-premises dining—down 3.3 percent at breakfast, down 0.6 percent at lunch and down 0.1 percent at dinner.

Promotions

The percent of restaurant occasions involving a promotion was 18.6 percent for the winter quarter, up slightly from 18.4 percent in 1988. Promotional use increased to 21.2 percent at quickservice operations and 13.7 percent at upscale establishments. At midscale establishments, promotions accounted for 13.4 percent of restaurant occasions, down from 14.2 percent in 1988.

The percent of occasions involving a promotion rose at both lunch and dinner, but decreased at breakfast. Promotions accounted for 24 percent of dinner occasions, 17.4 percent of lunch occasions and 13.5 percent of breakfast occasions (down from 14.9 percent).

Average check size

The average per-person check for the industry was $3.82 in the winter quarter—up 3 percent from $3.71 a year ago. Midscale restaurants experienced the largest increase in average check size, up 3.3 percent to $4.47. Average check size at quickservice establishments was $2.80, up from $2.73, and reached $9.62 at upscale restaurants, up from $9.36.

The largest increase in the average per-person check occurred at dinner—a gain of 3.7 percent to $4.92. Average check size rose from $3.42 to $3.50 for lunch and from $2.40 to $2.42 for breakfast.

On-premises vs. off-premises winter quarter growth

Takeout continues to drive industry traffic growth

	Percent change in traffic*		
	Total	**On-premises**	**Off-premises**
All restaurants	2.1%	(0.2)%	5.2%
Quickservice restaurants	3.3	NC	5.6
Midscale restaurants	(1.9)	(2.5)	1.4
Upscale restaurants	4.5	4.3	7.8

Percent change is over prior year
NC=No change
Source: NPD CREST, Quarterly Household Reports, 1988, 1989

**CREST stands for Consumer Reports on Eating Share Trends, a diary survey conducted by one of the NPD marketing and research companies.*

New data on likelihood of dessert orders

A new 1989 National Restaurant Association Gallup survey examines how likely consumers would be to order dessert during three occasions—dinner at an expensive tableservice restaurant, dinner at a low to moderately priced tableservice restaurant and lunch at a tableservice restaurant. It also discloses the demographic characteristics of those likely to order particular dessert items.

Which desserts are customers likely to order?*

Fresh fruit tops the list of restaurant desserts

Dessert items	Percent of adults: likely to order	Percent of adults: not at all likely to order
Fresh fruit	40%	37%
Ice cream	32	40
Pie/tart	28	49
Fruit-based dessert	23	48
Sundae	21	55
Pudding/custard/mousse	21	52
Sherbet/sorbet	21	56
Cake	19	58
Brownie/cookie	14	63
Other pastry	14	58

*Respondents could list as many answers as apply

Source: National Restaurant Association Gallup Survey, 1989

Consumers showed the greatest preference for ordering desserts at dinner, especially at higher-priced establishments. Twenty-nine percent of respondents said they were likely to choose dessert at a higher-priced restaurant, compared to 20 percent who would do so at a low to moderately priced eatery.

Patrons showed less interest in ordering dessert at lunch, with 16 percent saying they are likely to do so. In fact, nearly two-thirds of the survey respondents stated that they are not at all likely to order dessert during the midday meal.

Top choice—fruit

Among all the desserts covered by the association's survey, fresh fruit had the greatest appeal. Forty percent of the respondents said that they are likely to choose this item. After fresh fruit, patrons mentioned ice cream (32 percent likely to order), pies/tarts (28 percent) and fruit-based desserts like cobbler or baked fruit (23 percent).

Consumers displayed less interest in cakes, brownies/cookies and other pastries, with less than one in five saying they were likely to select these dishes as restaurant desserts.

Dessert preferences by age

Restaurant desserts at an expensive tableservice restaurant had the greatest appeal for 35 to 49-year-olds (38 percent likely to order) and 18 to 24-year-olds (36 percent). Twenty-five to 34-year-olds were slightly less interested in ordering desserts at these establishments—31 percent indicated that they would do so.

Older consumers showed the lowest preference for desserts at dinner at expensive tableservice restaurants, with one out of five respondents between 50 and 64 years of age and one out of six individuals 65 years old or older saying they were likely to order dessert.

A similar pattern emerged when examining who was likely to order dessert at dinner at a low to moderately priced tableservice restaurant and at lunch at a tableservice restaurant. Once again, 18 to 24-year-olds and 35 to 49-year-olds expressed the greatest likelihood of ordering dessert on these two occasions, while 25 to 34-year-olds and older customers displayed slightly less interest in this option.

Dessert preferences by income and sex

According to the survey, level of interest in restau-

What age group is most likely to order desserts?

18 to 24-year-olds and 35 to 49-year-olds show the greatest preference for restaurant desserts

Meal period	Percent likely to order: All age groups	18 to 24 yrs.	25 to 34 yrs.	35 to 49 yrs.	50 to 64 yrs.	65+ yrs.
During dinner at an expensive tableservice restaurant	29%	36%	31%	38%	20%	16%
During dinner at a low to moderately priced tableservice restaurant	20	29	21	22	16	13
During lunch at a tableservice restaurant	16	18	14	19	16	12

Source: National Restaurant Association Gallup Survey, 1989

Do more men or women favor desserts?

Men are more likely than women to order dessert during dinner at an expensive tableservice restaurant

	Percent likely to order	
	Men	**Women**
Dessert during dinner at an expensive tableservice restaurant	34%	26%
Dessert during dinner at a low to moderately priced tableservice restaurant	19	20
Dessert during lunch at a tableservice restaurant	15	16

Source: National Restaurant Association Gallup Survey, 1989

rant dessert differs among income groups. Higher-income households were more likely than lower-income households to consider dessert during dinner at an expensive tableservice restaurant. Thirty-seven percent of households with an annual income of $30,000 or more and 33 percent of households with an annual income between $20,000 and $30,000 said they were likely to order dessert for dinner at an expensive tableservice restaurant. On the other hand, less than one in four households with annual incomes less than $20,000 said they were likely to choose this option.

Lower-income groups, however, did express more interest in ordering dessert during dinner at a low to moderately priced tableservice restaurant and during lunch at a tableservice restaurant than did higher-income households—22 percent of those with annual incomes less than $15,000 said they were likely to order dessert during dinner at a low to moderately priced tableservice restaurant, compared to 16 percent with annual incomes in excess of $30,000. At lunch, the percentages were 20 percent for lower-income groups and 10 percent for those with annual incomes in excess of $30,000.

Dinner dessert at an expensive tableservice restaurant proved to be a more popular choice among men than women. One out of three men stated they were likely to select dessert on this occasion, compared to one out of four women. However, there were no differences between men and women when it came to ordering dessert during lunch at a tableservice restaurant or during dinner at a low to moderately priced tableservice restaurant.

Regional preferences

Regional consumer preferences for dessert varied, depending on the restaurant occasion. Dessert during dinner at an expensive tableservice restaurant carried the greatest appeal among consumers from the East (39 percent likely to order), followed by consumers from the South (28 percent), the Midwest (26 percent) and the West (22 percent).

Easterners were much less inclined to order dessert for dinner at a low to moderately priced tableservice restaurant (25 percent). A similar proportion of Southerners expressed a likelihood of ordering dessert on this occasion, but consumers from the West (15 percent) and Midwest (14 percent) were less interested.

Dessert for lunch at a tableservice restaurant was most popular among Southerners (19 percent). Midday dessert had moderate appeal for Easterners (16 percent), and only one in 10 consumers from the Midwest and West showed interest in this option.

—Sebastian O'Kelly

Who orders particular types of dessert?

Pie/tart
☐ Men
☐ Those 65 years of age or older
☐ Households with annual incomes of less than $15,000
☐ Consumers living in the East, South and Midwest

Cake
☐ Women
☐ 18 to 24-year-olds
☐ Households with annual incomes of less than $30,000
☐ Consumers living in the East, South and Midwest

Other pastry
☐ Women
☐ 18 to 24-year-olds
☐ Households in all income brackets
☐ Consumers living in the East, South and West

Ice cream
☐ Men
☐ 18 to 24-year-olds
☐ Households in all income brackets
☐ Consumers throughout the United States

Sherbet/sorbet
☐ Both men and women
☐ 18 to 24-year-olds and 35 to 49-year-olds
☐ Households in all income brackets
☐ Consumers living in the East

Sundae
☐ Men
☐ 18 to 24-year-olds
☐ Households with annual incomes between $20,000 and $30,000
☐ Consumers living in the East and South

Fresh fruit
☐ Women
☐ Older and younger adults
☐ Households with annual incomes less than $15,000 and households with annual incomes between $20,000 and $30,000
☐ Consumers living in the East and South

Fruit-based dessert, like cobbler or baked fruit
☐ Men
☐ 18 to 24-year-olds and 35 to 49-year-olds
☐ Households with annual incomes between $20,000 and $30,000
☐ Consumers living in the South

Pudding/custard/mousse
☐ Both men and women
☐ 18 to 24-year-olds and those 65 years old and older
☐ Households with annual incomes of less than $15,000
☐ Consumers living in the East

Brownie/cookie
☐ Both men and women
☐ 18 to 24-year-olds
☐ Households with annual incomes of less than $15,000
☐ Consumers living in the East, South and Midwest

The foodservice industry 1987: A brief review

*For the 20th consecutive year, the National Restaurant Association has prepared information on the size and scope of the foodservice industry, including sales and purchases for major markets, number of establishments and alcoholic-beverage sales. The figures and analyses reported here provide a summary of the industry's performance during 1987.**

Foodservice industry sales reached $203.1 billion in 1987, a 7.5 percent increase from 1986. Real sales (adjusted for inflation) advanced 3.6 percent, slightly ahead of the 3.4 percent real growth in the Gross National Product (GNP). Sales growth was larger in 1987 than in 1986, when it was 3.0 percent. Overall, 1987 marked the seventh consecutive year of real growth for the foodservice industry.

The proportion of the food dollar spent away from home continued to climb, reaching 42.1 percent in 1987, up from 41.4 percent in 1986. In addition, the proportion of disposable personal income allocated to food away from home rose slightly, from 5.60 percent in 1986 to 5.67 percent in 1987.

Menu prices, as measured by the Consumer Price Index (CPI) for food away from home, advanced 4.0 percent in 1987, virtually equal to the 3.9 percent rise in 1986.

Commercial Foodservice Group sales reached $179.7 billion in 1987—up 8.0 percent over 1986, or a 4.0 percent advance in real terms. Commercial foodservice accounted for 98.6 percent of total real sales growth in the industry in 1987, and represented 88.5 percent of all foodservice sales.

Eating place sales, totaling $131.5 billion in 1987, increased 7.9 percent over 1986 and accounted for 64.8 percent of total foodservice sales—up from 64.5 percent in 1986. Inflation-adjusted sales rose 4.0 percent in 1987—well above the 3.4 percent advance in 1986.

Sales at **limited-menu** (fast food) **restaurants** rose 9.0 percent in 1987, reaching $57.2 billion. Fast food sales grew from 14 percent of total foodservice industry sales in 1970 to 28.2 percent in 1987, and accounted for 43.5 percent of eating place sales.

Foodservice sales at **restaurants and lunchrooms** advanced 6.8 percent in 1987 to $66.6 billion. In real terms, restaurant and lunchroom sales grew 2.9 percent. Although personal income (adjusted for inflation) rose only 1.7 percent, consumers shifted their spending away from durable goods to other personal consumption, which boosted restaurant sales growth.

Grocery stores, which includes some convenience stores, maintained a top position as an industry growth leader in 1987, with a 14.5 percent advance in food and drink sales. This is the highest rate of growth among retail hosts. Supermarket takeout business fueled foodservice sales at these establishments.

Institutional foodservice sales were up 3.5 percent in 1987. Passenger and cargo liners showed the highest growth in the segment, posting a 13.1 percent inflation-adjusted sales gain. Foodservice sales at community centers, hospitals, public and private schools and universities, and clubs also showed real growth in 1987.

Food and drink sales for the **Military Foodservice Group** advanced 4.3 percent in 1987 to $1.0 billion. The increase was in part due to the increased numbers of U.S.-based troops on active duty.

***The statistical information and analyses for the National Restaurant Association's study on the size and scope of the foodservice industry in 1987 were prepared in consultation with the research firm of Malcolm M. Knapp, Inc.**

To order the report

Members of the National Restaurant Association can get up to five free copies of the detailed report, *Foodservice Industry 1987 in Review*. Each additional copy costs $5. The cost to nonmembers is $10. All orders must be prepaid

To order, send your request to the association's Publications Department, 1200 Seventeenth St. N.W., Washington DC 20036. *Note:* Washington DC residents must add 6 percent sales tax to their orders. Illinois residents must add 7 percent; residents of Chicago must add an additional 1 percent, making their total sales tax 8 percent.

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Please support your local chapter.

American Red Cross

Estimated food and drink sales and purchases, 1987

# of units	Type of establishment	Estimated food and drink sales (000)		Percent gain (loss)	Estimated food and drink purchases (000)
		1986	1987		1987
	Group I: Commercial Foodservice[1]				
	Eating places				
127,844	Restaurants, lunchrooms	$ 62,391,358	$ 66,633,970	6.8%	$ 22,846,189
131,146	Limited-menu restaurants	52,508,562	57,234,333	9.0	18,447,770
7,070	Commercial cafeterias	3,965,078	4,317,970	8.9	1,544,258
4,114	Social caterers	1,594,184	1,756,791	10.2	602,930
8,461	Ice cream, frozen custard stands	1,477,670	1,584,062	7.2	446,705
278,635	**Total—Eating places**	**$121,936,852**	**$131,527,126**	**7.9%**	**$43,887,852**
32,308[3]	Bars and taverns	$ 8,976,119	$ 9,433,901	5.1%	$ 439,856[4]
310,943	**Total—Eating and drinking places**	**$130,912,971**	**$140,961,027**	**7.7%**	**$44,327,708**
	Food contractors				
	Manufacturing and industrial plants	$ 2,824,473	$ 3,041,957	7.7%	$ 1,291,189
	Commercial and office buildings	981,056	1,063,465	8.4	452,494
	Hospitals and nursing homes	1,262,581	1,348,436	6.8	489,411
	Colleges and universities	1,882,392	2,057,454	9.3	637,975
	Primary and secondary schools	935,133	988,436	5.7	348,688
	In transit foodservice (airlines)	798,431	1,067,654	33.7	512,410[6]
	Recreation and sports centers	1,410,732	1,508,072	6.9	475,043
9,026	**Total—Food contractors**	**$ 10,094,798**	**$ 11,075,474**	**9.7%**	**$ 4,207,210**
	Lodging places				
15,940	Hotel restaurants	$ 9,404,158	$ 10,263,299	9.1%	$ 3,171,346
1,786	Motor hotel restaurants	754,327	789,780	4.7	246,446
8,926	Motel restaurants	1,224,740	1,274,954	4.1	407,408
26,652	**Total—Lodging places**	**$ 11,383,225**	**$ 12,328,033**	**8.3%**	**$ 3,825,200**
	Retail hosts				
10,468	Drug and proprietary store restaurants	$ 449,334	$ 458,770	2.1%	$ 160,570
1,562	General merchandise store restaurants	68,339	72,303	5.8	24,944
4,932	Department store restaurants	1,091,877	1,145,379	4.9	400,882
3,651	Variety store restaurants	224,792	238,504	6.1	83,476
4,156	Food stores (except grocery)	194,461	204,962	5.4	62,513
43,059	Grocery store restaurants	2,988,455	3,421,781	14.5	1,132,610
31,405	Gasoline service stations	1,527,105	1,733,264	13.5	573,710
8,525	Misc. retail (liquor, cigar, etc.[8])	507,848	552,031	8.7	174,994
107,737	**Total—Retail hosts**	**$ 7,052,211**	**$ 7,826,994**	**11.0%**	**$ 2,613,699**
	Recreation and sports foodservice				
[illegible]	Drive-in movies	$ 228,658	$ 253,810	11.0%	$ 73,605
[illegible]	Bowling lanes	732,982	754,238	2.9	251,915
N/A	Recreation and sports centers	1,093,352	1,204,873	10.2	379,535
6,607	**Total—Recreation and sports foodservice**	**$ 2,054,992**	**$ 2,212,921**	**7.7%**	**$ 705,055**
	All other foodservice				
3,088	Vending and non-store retailers[9]	$ 4,156,228	$ 4,551,070	9.5%	$ 1,374,423
N/A	Mobile caterers	668,038	713,464	6.8	219,033
3,088	**Total—All other foodservice**	**$ 4,824,266**	**$ 5,264,534**	**9.1%**	**$ 1,593,456**
464,053	**Total—Group I**	**$166,322,463**	**$179,668,983**	**8.0%**	**$57,272,328**

Footnotes

1. Sales are given only for establishments with payroll
2. Figures are latest census data or projections of merchandise line detail counts or updates when reliable data become available
3. Unit count includes only those establishments serving food, however, sales figure is for all bars and taverns with payroll
4. Food only. Cost of alcoholic beverages totaled $2,971,679,000
5. Food and drink sales for nonpayroll establishments totaled $3,925,406,000, with eating places accounting for $2,840,532,000 and drinking places $1,084,874,000
6. Food purchases only
7. Individual businesses, not locations. Contract feeders are included in eating place totals in all Bureau of Census publications although their sales volume figures are significantly understated
8. Includes SIC 59 except 591 and 596
9. Includes sales of hot foods, sandwiches, pastries, coffee and other hot beverages
10. School lunch commodities furnished in the calendar year 1987 under Secs. 6, 32 and 416 were worth $859,724,073. In addition 172,736,289 half pints of milk worth $16,617,837 were supplied
11. Total number of colleges and universities that have foodservice, whether contracted or not
12. Represents sales or commercial equivalent to employees
13. Sales (commercial equivalent) calculated for nursing homes and homes for aged only. All others in the grouping make no charge for food served
14. All 50 states plus the District of Columbia

*** These institutions make no charge for food served

Estimated food and drink sales and purchases, 1987

# of units	Type of establishment	Estimated food and drink sales (000) 1986	Estimated food and drink sales (000) 1987	Percent gain (loss)	Estimated food and drink purchases (000) 1987
	Group II: Institutional Foodservice—Business, educational, government or institutional organizations that operate their own foodservice				
	Employee foodservice				
3,465	Industrial and commercial organizations	$ 1,693,778	$ 1,679,601	-0.8%	$ 721,978
367	Seagoing ships (1,000+ tons)	37,710	34,920	-7.4	20,920
4,248	Inland waterway vessels	244,399	261,751	7.1	157,081
8,080	**Total—Employee foodservice**	**$ 1,975,887**	**$ 1,976,272**	**0.0%**	**$ 899,979**
	Educational foodservice				
91,387	Public and parochial elementary and secondary schools (89,791 national school lunch program[10])	$ 3,060,127	$ 3,189,407	4.2%	$ 3,116,283
1,082	Public colleges and universities[11]	2,173,080	2,268,696	4.4	873,579
1,714	Private colleges and universities[11]	1,020,056	1,083,512	6.2	461,208
2,796	Total college	3,193,136	3,352,208	5.0	1,334,787
94,183	**Total—Educational foodservice**	**$ 6,253,263**	**$ 6,541,615**	**4.6%**	**$ 4,451,070**
	Transportation foodservice				
59	Passenger/cargo liners	$ 217,578	$ 250,867	15.3%	$ 137,977
93	Airlines	700,617	579,800	−17.2	289,036
2	Railroads	49,405	54,750	10.8	25,318
154	**Total—Transportation foodservice**	**$ 967,600**	**$ 885,417**	**-8.5%**	**$ 452,331**
	Hospital foodservice				
4,102	Voluntary and proprietary hospitals	$ 5,192,895	$ 5,385,630	3.7%	$ 2,154,252
1,509	State and local short-term hospitals[12]	749,005	790,594	5.6	515,052
820	Long-term, general, TB and psychiatric hospitals	832,130	854,065	2.6	341,626
342	Federal hospitals[12]	396,155	405,802	2.4	309,413
6,773	**Total—Hospital foodservice**	**$ 7,170,185**	**$ 7,436,091**	**3.7%**	**$ 3,320,343**
29,169	Nursing homes; homes for the aged, blind, orphans, mentally and physically handicapped[13]	$ 3,097,659	$ 3,224,663	4.1%	$ 1,981,104
	Miscellaneous foodservice				
10,310	Clubs	$ 1,619,906	$ 1,743,019	7.6%	$ 685,111
2,806	Sporting and recreation camps	126,515	134,738	6.5	80,843
15,473	Community centers	450,192	487,558	8.3	575,318
N/A	Convents and seminaries	***	***	***	85,358
28,589	**Total—Miscellaneous foodservice**	**$ 2,196,613**	**$ 2,365,315**	**7.7%**	**$ 1,426,630**
	Penal institutions				
791	Federal and state prisons	***	***	***	$ 514,072
3,338	Jails	***	***	***	395,144
4,129	**Total—Penal institutions**	*******	*******	*******	**$ 909,216**
171,077	**Total—Group II**	**$ 21,661,207**	**$ 22,429,373**	**3.5%**	**$13,440,673**
635,130	**Total—Groups I and II**	**$187,983,670**	**$202,098,356**	**7.5%**	**$70,713,001**
	Food furnished to foodservice employees in Groups I and II	***	***	***	$ 4,565,372
635,130	**Total—Groups I, II and FSE**	**$187,983,670**	**$202,098,356**	**7.5%**	**$75,278,373**
	Group III: Military Foodservice				
N/A	Defense personnel	***	***	***	$ 2,064,018
700	Officers' and NCO clubs ("open mess")[14]	$ 610,280	$ 633,471	3.8%	213,195
556	Military exchange foodservice	314,960	331,653	5.3	123,740
1,256	**Total—Group III**	**$ 925,240**	**$ 965,124**	**4.3%**	**$ 2,400,953**
636,386	**GRAND TOTAL**	**$188,908,910**	**$203,063,480**	**7.5%**	**$77,679,326**

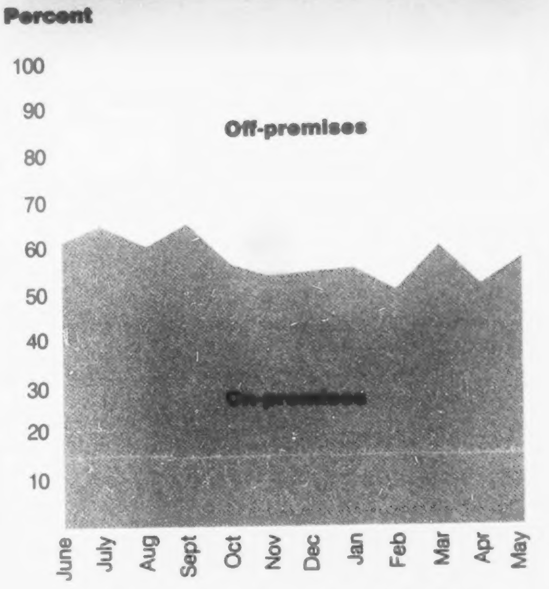
Source: National Restaurant Association, Malcolm M. Knapp, Inc.

Foodservice Market Measure—April/May 1989

Approximately 46 percent of adults were foodservice patrons in May, which was similar to the 47 percent who reported that they purchased a meal or snack in a restaurant, fast food place, cafeteria or other eating place in April. In the 12-month period during which the Foodservice Market Measure has tracked consumer behavior, an average of 45 percent of adults reported that they were foodservice patrons on a typical day. The proportion ranged from a low of 43 percent in July 1988 to a high of nearly 51 percent in February 1989.

Of particular note in the past year has been the growing prominence of off-premises patronage, especially at dinner. In April, 21 percent of adults were carryout or delivery patrons; in May, 19 percent purchased food for takeout—well above the 17 percent average from June to November 1988.

Moreover, a significant increase has occurred in the share of off-premises patronage. Carryout and home delivery accounted for a 39 percent share of patronage in the December 1988 to May 1989 period, compared to 37 percent in the prior six months. Between December 1988 and May 1989, off-premises patronage at dinner accounted for a 44 percent share of the total, compared to a significantly lower 39 percent share between June and November 1988.



Share of dinner patrons who ate on premises versus off premises, June 1988–May 1989

Source: National Restaurant Association Gallup Survey

In contrast to what is occurring at dinner, the proportion of adults who purchase breakfast or lunch for off-premises consumption varies slightly from month to month—but no trend is evident. In May, just 1 percent of adults reported that on a typical day they purchased breakfast for off-premises consumption, whereas about 8 percent purchased a carryout lunch.

On-premises patronage, which accounts for the lion's share of business at tableservice restaurants, ranged from a high of 32 percent of all adults on a typical day in July 1988 to a low of 27 percent in March 1989. In May, 28 percent of adults patronized a foodservice outlet for an on-premises meal or snack.

Generally, more adults report eating lunch than dinner on premises at a restaurant. On a typical day in May, nearly 15 percent of adults were on-premises lunch patrons, compared to 13 percent for dinner and 4 percent for breakfast.

—*Susan Mills*

Percent of adults who were foodservice patrons on a typical day in May 1989

	May 1989
On-premises patronage	**28%**
Breakfast	4
Lunch	15
Dinner	13
Snack	2
Off-premises patronage	**19%**
Breakfast	1
Lunch	8
Dinner	9
Snack	2

Source: National Restaurant Association Gallup Survey

Foodservice Market Measure

The Foodservice Market Measure is based on 1,000 telephone interviews, conducted by the Gallup Organization each month, with a nationally representative sample of adults age 18 and older. Each person is asked the same questions:

1. Which of the following did you do yesterday?

☐ Ate on the premises of a restaurant, fast food place, cafeteria or any other place where you purchased a meal or snack,

☐ Purchased takeout food "to go" or had it delivered.

2. Was the food you ate on premises yesterday for breakfast, lunch, dinner or a snack?

3. Was the takeout food you purchased or had delivered for breakfast, lunch, dinner or a snack?

The monthly tracking of purchases is supplemented by quarterly inquiries on topics of industry interest.

1 NEW ENGLAND

Location: Westerly, RI
Association members: Bill and Ruth Holliday, Bill Holliday, Jr., Larry Smith, Robert Freemer, Thomas Gallo, Ed Goss
Operation: Happy Holliday Restaurant
Profile: Fullservice restaurant
In business: 70 years
Seats: 175
Meals served: Lunch, dinner

When Happy Holliday began 70 years ago, it consisted of three small bars for men. Eventually it began serving sandwiches to go with the drinks and welcoming women. Today it is a fullservice restaurant known for its extensive menu, which features 54 entrees—from seafood to prime rib. Homemade desserts include a grape-nut pudding and ice-cream pies.

Located on the Connecticut-Rhode Island border, 18 miles from New London, Connecticut, the restaurant benefits from a boom that swells a wintertime population of 25,000 to 45,000 in the summer. Manager **Bill Holliday, Jr.,** grandson of the founder, claims Happy Holliday is the busiest restaurant in the area—full most of the time.

Every night the restaurant offers a complimentary buffet in the lounge. There are also ethnic and theme nights, such as a recent beach-party night featuring burgers and hot dogs, T-shirt giveaways and raffles of beach balls and umbrellas.

2 MID-ATLANTIC

Location: Manhattan, NY
Association members: Richard Puzo, Randy and Brian Seltzer, George Lake, Guy Neil
Operation: Georgio Cafe
Profile: Midscale Italian bistro
In business: 3 months
Seats: 80
Meals served: Lunch, dinner

Georgio Cafe is built Italian-bistro style, with a big bar and small tables. Located between the old established neighborhoods of Gramercy Park and the public relations and advertising firms that occupy Park Avenue South, Georgio attracts a predominantly business crowd at lunch. At dinner the residents of the apartment buildings come in, especially the young singles.

Co-owners Puzo and the Seltzers hired consultant Frank Valenza to help them make their restaurant concept a reality.

Selections from the menu include the *Georgio Pizza Special*, a thin-crust pizza with everything on it, and a pasta verde, which uses whatever fresh vegetables are available.

3 SOUTH ATLANTIC

Location: Augusta, GA
Association members: Chris and Bob Cunningham
Operation: Wife Saver
Profile: 9 franchised chicken and seafood restaurants
In business: 24 years
Seats: 35 to 130
Meals served: Lunch, dinner

Wife Saver is a family business run by the sons of the now-retired founder. When the original store was forced to close because the neighborhood changed, the owners decided to locate their new units in neighborhoods where the population was expected to grow. For example, one store was built on a two-lane blacktop road that has since been expanded into a six-lane highway.

Most of the food is intended for takeout. On busy weekends and holidays there is often a wait of 15 to 20 minutes, and customers are encouraged to call in their orders. The menu features Southern favorites, such as fried or barbecued chicken, and seafood that is bought locally whenever possible. Nine vegetables are available to accompany the dinners. Desserts include fresh pies and banana pudding.

Business is best in summer, says co-owner **Bob Cunningham.**

4 EAST NORTH CENTRAL

Location: Evanston, IL
Association members: David Lipschultz, Al Sapp
Operation: Blind Faith Cafe
Profile: Vegetarian restaurant
In business: 7 years
Seats: 150
Meals served: Breakfast, lunch, dinner

Customers of Blind Faith Cafe enjoy vegetarian foods served with flair in a cozy atmosphere. The cafe uses no preservatives, sugar and [illegible] does use se[illegible] made from [illegible] which [illegible] on the text[illegible] cafe sautees [illegible] onions and [illegible] serves it with [illegible] sauce over [illegible] dish called S[illegible] cal.

The Blind F[illegible] [illegible] tofu mixed w[illegible] flower and ses[illegible] onions and spic[illegible] grilled and dress[illegible] regular hambur[illegible] served on a [illegible] M[illegible]robiotic Plate is [illegible] ment of grains, [illegible] vegetables (such as sea weeds) and the vegetable of the day.

Many of the cafe's patrons are not strict vegetarians, according to manager **Al Sapp,** but simply people "who would like to eat better."

5 EAST SOUTH CENTRAL

Location: Newport, KY
Association members: George, Chris, [illegible] and Spiro Sarakatsannis
Operation: Dixie Chili
Profile: Corporation owning chili parlors
In business: 60 years
Seats: 42 to 99
Meals served: Lunch

[illegible] **George Sarakatsannis.**

The Landmark Restaurant, on the main floor of the hotel, offers guests a gourmet menu—steak Diane, coq au vin, chicken cordon bleu—or food indigenous to the region, such as buffalo steaks, walleye and trout. But the most popular entree is the prime rib, available in three different cuts. A dessert tray contains homemade pies and cakes; hotel guests receive a free dessert or after-dinner drink.

The economy has been slow, and last year's fires at Yellowstone caused a decline in the number of tourists traveling through the West, but the hotel and restaurant enjoyed a good year, according to manager **David Gamet.** Ellsworth Air Force Base, nearby, brings in guests, and in the winter the hotel is host to many conventions.

6 WEST NORTH CENTRAL

Location: [illegible]
Association members: [illegible]
Operation: [illegible]
Profile: [illegible]
In business: [illegible]
Seats: [illegible]
Meals served: [illegible]

[illegible]

7 WEST SOUTH CENTRAL

Location: Vivian, LA
Association members: [illegible]
Operation: Hill Family Restaurant
Profile: Fullservice restaurant and catering operation
In business: [illegible] years
Seats: [illegible]
Meals served: Breakfast, lunch, dinner

Vivian, [illegible] miles north of Shreveport, is a small town, [illegible] owner **John Hill** figures he has between 10,000 and 17,000 potential customers who live within 15 miles. The area is still recovering from the oil recession, but business at the restaurant is good. Hill reports it's gone up a little each year for the past three years.

The restaurant's Mexican food is its biggest draw, but the fried catfish is also popular, as are the famous Aunt Margaret hamburgers (named after a woman who used to own a restaurant in town). Another big seller is the homemade pies, made on premises. Ten kinds are available every day, but the curious choose the *Sawdust Pie*, which features a rich coconut-and-pecan mixture.

8 MOUNTAIN

Location: Billings, MT
Association members: Susie and Roger Steffanich
Operation: Roger's Showboat
Profile: Fullservice restaurant
In business: 2½ years
Seats: 108
Meals served: Lunch, dinner

An old boat mounted in the front parking lot of Roger's Showboat bears the restaurant's sign and is responsible for the name. But the inside of the three-story contemporary building that houses the dining room and lounge is not at all nautical in its design. The focal point is the large glass windows that overlook a view of the creek behind the restaurant and the wild geese, ducks and deer that can always be found there. In nice weather, patrons can enjoy the same sights from an outdoor deck.

Diners at Roger's Showboat choose from a menu containing more than 48 items, including seven kinds of steaks, three cuts of prime rib and a large seafood selection. A signature item is the *Seafood Ports of Call*—crab, prawns, scallops and oysters sauteed in a wine-and-butter sauce and served with fettuccine.

The economy of the mostly agricultural area is down, and a rigid tax structure is making it hard to attract new businesses, but co-owner **Suzie Steffanich** reports the restaurant is holding its own.

9 PACIFIC

Location: Santa Ana, CA
Association members: Fred Reiser, Jim Knapp, Brad Miller, Dennis Senft
Operation: Crazy Horse Steak House
Profile: Fullservice restaurant with adjoining theater
In business: 10 years
Seats: 200
Meals served: Lunch, dinner

Business is up 12 percent from last year, according to partner **Fred Reiser.** Crazy Horse is divided into two parts, a theater where big names like Ray Charles and Helen Reddy perform, and a restaurant where customers can choose in which old-West look-alike they want to dine—the blacksmith shop, an old hotel, a general store or a gaming parlor. The theater is also a turn-of-the-century replica. Both restaurant and theater contain dummies that actually move, sometimes surprising the entertainers as well as the customers.

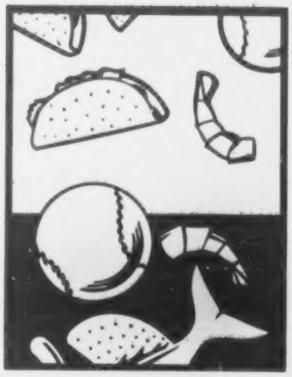
Prime rib and fresh seafood are the culinary attractions; most of the fish comes from the nearby Pacific Ocean. A mahimahi dish, served with macadamia-nut sauce, is a big seller. The restaurant believes in doing things the old-fashioned way by baking its own bread, making salad dressings and soups from scratch and cutting its own steaks.

—Julie Fintel

FOOD FOR THOUGHT

Buy me some peanuts and ...sushi?

What is a trip to the ball park without hot dogs, popcorn and peanuts? Times have changed—and so have the menus at concession stands in baseball stadiums across the country. Baked potatoes, tacos, cinnamon rolls and sushi are some of the nontraditional food items available at the ball game now. Concessionaires in baseball parks and stadiums across the country report that the sale of traditional items continues to dominate, but alternative food items are selling well. Some stadiums are even offering low-calorie foods for health-conscious fans.



Although sushi is available only at San Diego Padres games now, the California Angels had enormous success test-marketing it last year and plan to construct a stand to sell the Japanese delicacy next season.

—*USA Today*

Credit where it's due?

The sharply dressed businessman orders a burger, fries and a chocolate shake to go, and then hands his Gold Card to the server behind a counter in a fast food restaurant. Seem unlikely? Not if the American Express Company has anything to say about it. The company is serious in its campaign to convince fast food franchises that, despite the company's image as an upscale travel and entertainment company, accepting American Express cards will bring more business to their doors.

The use of credit cards in fast food restaurants is not a new idea. VISA International implemented a trial run of its cards in 36 Arby's and 14 Wendy's restaurants last year. Thanks to technological advancements, the customer's card is run through a system that checks a credit rating in seconds. This speed may convince fast food companies that service would not be slowed by accepting credit cards.

—*The Wall Street Journal*

Take a critic to lunch

While other chefs may pace the kitchen floor nervously awaiting critics' response to their work, one chef in Houston welcomes critics to his restaurant with open arms. Robert McGrath, chef at DeVille in the Four Seasons Hotel, doesn't believe that the relationship between chefs and restaurant critics need be adversarial. In fact, he invites local food critics and writers to special "menu critique" lunches before he changes the restaurant's seasonal menu. After tasting the dishes, the critics fill out evaluation forms, rating each dish on originality, taste, presentation, composition and workmanship. McGrath takes this input very seriously—to the point of reworking or eliminating a dish that the critics didn't like.

As for the critics, most didn't feel it affected their objectivity. One critic called it a good public-relations move, but claimed she would not have participated if she had planned to review the restaurant in the next year.

—*Cook's Magazine*

A very special delivery

Despite well-defined delivery boundaries for its 525 restaurants, when Godfather's Pizza received a request for a delivery order 1,500 miles away, it found that the request was an order it couldn't refuse.

The plea came from 19-year-old Suzanne Silaz, a native of Omaha, Nebraska, where Godfather's Pizza is headquartered. Suzanne is awaiting surgery in New Haven, Connecticut, to replace her heart and lungs. When asked if there was anything special she would like, Suzanne replied that the thing she would like most would be a Godfather's Pizza—pepperoni on original crust.

Godfather's Pizza officials lost no time in preparing to send Suzanne a taste of home. Five of her favorite pizzas were made up, partially baked and placed in a special container packed with dry ice. The container was shipped to New Haven, with a special note from Godfather's Pizza President Herman Cain inviting Suzanne to visit him at the company's headquarters upon her return to Omaha.

—*Godfather's Pizza*

Computers put the icing on the cake

Sweet Art of Kansas City, Missouri, makes picture-perfect cakes. The Sweet Art Cake Decorating System uses a computer program to scan a photograph or any graphic image. The image is digitized and stored, and then a robotic arm sweeps over the cake, recreating the image with a fine spray of food coloring. Even though photographs can only be reproduced in monotones, the system can run graphics—such as line art, live images or company logos—in 14 colors. Sweet Art is working on a system that will produce full-color reproductions.

Approximately 50 bakeries and grocery-store chains have the computer decorating system and report that the personalized confections have been selling like hot cakes.

—*PC Computing*

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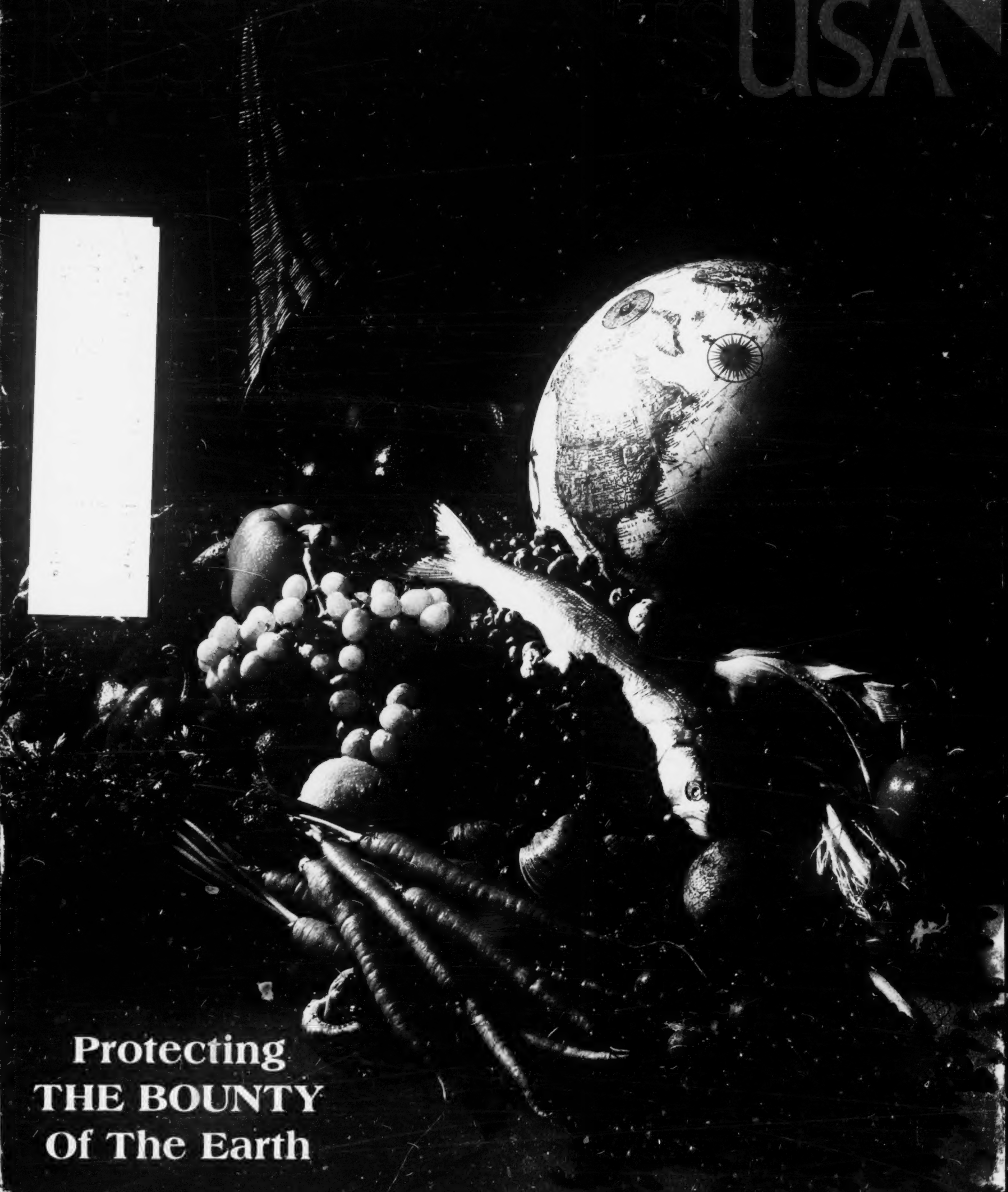
RESTAURANTS USA



Protecting
THE BOUNTY
Of The Earth

ASSOCIATION MEETINGS

SEMINARS

Basic Foodservice Courses

Dining Room Management

8/21	Portland, OR
8/22	Seattle, WA
9/12	Dallas, TX
9/13	San Antonio, TX
9/18	San Francisco, CA
9/19	San Diego, CA
9/26	Philadelphia, PA
10/10	Washington, DC
10/11	Charlotte, NC
10/16	Phoenix, AZ
10/18	Los Angeles, CA
11/7	Richmond, VA
11/9	Orlando, FL

Kitchen Management

8/22	Chicago, IL
9/19	Toronto, Ontario, Canada
9/21	Vancouver, BC, Canada
10/2	Pittsburgh, PA
10/3	Cleveland, OH
10/4	Raleigh/Durham, NC
10/16	Phoenix, AZ
10/30	Minneapolis, MN
10/31	Detroit, MI
11/6	Philadelphia, PA
11/7	Atlanta, Ga
11/8	Tampa, FL
11/13	Dallas, TX
11/14	Houston, TX
11/15	Chicago, IL
11/20	Nashville, TN

Foodservice Management Courses

Banquet Management

9/26	Chicago, IL
10/10	Boston, MA
10/11	Atlantic City, NJ
10/17	Portland, OR
10/18	Spokane, WA
11/6	San Francisco, CA
11/7	Los Angeles, CA

Food Cost Management

9/19	Chicago, IL
10/3	Rochester, NY
10/4	Boston, MA
10/17	Minneapolis, MN
10/18	Milwaukee, WI
10/25	Louisville, KY
10/26	Tampa, FL
11/14	Los Angeles, CA
11/15	San Francisco, CA
11/28	Baltimore, MD
11/29	Pittsburgh, PA

Fighting the Labor Crisis

8/15	Boston, MA
9/25	Baltimore, MD
9/26	Minneapolis, MN
9/27	Cincinnati, OH
9/27	Denver, CO
10/23	San Diego, CA
10/24	San Francisco, CA
10/25	Los Angeles, CA
10/25	Chicago, IL
11/1	Detroit, MI

Healthy Profits Through Nutrition

9/18	Chicago, IL

Promoting Your Restaurant

10/3	Chicago, IL

Merchandise Your Menus

9/11	Chicago, IL

Off-Premises Catering

9/25-26	Long Beach, CA
10/9-10	Baltimore, MD
10/16-17	Pittsburgh, PA
11/6-7	Denver, CO
11/28-29	Chicago, IL

Profitability

8/21	Chicago, IL
9/11	Boston, MA
9/12	New York, NY
9/18	Louisville, KY
9/19	Charlotte, NC
10/16	Orlando, FL
10/17	Atlanta, GA
11/13	Portland, OR
11/14	Seattle, WA

Successful Buffet Management

9/11	Nashville, TN
10/2	Washington, DC
10/23	Charlotte, NC
11/13	Detroit, MI
11/14	Chicago, IL

Stop Theft

11/6	Chicago, IL

Takeout Delivers Profits

10/23	Chicago, IL

Note: *All Chicago seminars are held in The Educational Foundation's Conference Center at 250 S. Wacker Drive.*

For information, contact:
Educational Foundation of the
National Restaurant Association
250 South Wacker Drive
Chicago, IL 60606
(312) 715-1010 or 1-800-522-7578.

If your company is interested in our in-house programs, call or write to the attention of Jeff Harrison at the above address.

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10/4-6 Lake Tahoe, NV

Foodservice Purchasing Managers
10/4 Dallas, TX

Internal Auditors
9/19-22 Lake Tahoe, NV

Labor Relations
9/21-22 Washington, DC

Large Independent Operators
8/23-25 Amarillo, TX

Management Information Systems
10/17-22 Newport Beach, CA

Marketing Executives
10/18-20 Scottsdale, AZ

Multi-unit Architects, Engineers and Construction Officers (MAECO)
10/2-4 Dallas, TX

Quality Assurance
10/16-18 Las Vegas, NV

Safety Officers
7/11-13 Asheville, NC

Tax Executives
10/4-6 Lake Tahoe, NV

For more information on specific study groups, contact: Philip Kralovec, (312) 853-2525.

The Executive Study Groups present semi-annual professional development programs for executives who would like to meet with their industry peers to share ideas and concerns. Executives in each of the aforementioned disciplines from member foodservice companies are welcome and encouraged to participate.

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RESTAURANTS USA

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PRESIDENT'S REPORT

Harris H. "Bud" Rusitzky, President,
Serv-Rite Food Service and Consulting Corporation,
Pittsfield, New York

PROTECTING
THE ENVIRONMENT

When the world's environmental concerns serve as the focal point of an international summit meeting, as they recently did, it becomes clear that land, air and water problems are reaching the serious stage. In reports and personal appearances, President Bush repeatedly has appealed to Americans "to address pollution and environmental degradation." People are realizing that our food safety and waste problems cannot be easily tossed aside.

As the public's concerns mount, now is an ideal time for our industry to take an active stance and for us to assume leadership positions in our communities concerning this important issue. If we step forward now, we can help define the direction of the response to the variety of issues that eventually will be encompassed by the environmental agenda. That is why this special edition of ***Restaurants USA*** is focused on the environment and restaurateurs' important role in such areas as solid-waste management.

We have no time to lose. Already there is some grassroots activity concerning the environment. State and local bodies are trying to show their constituencies that they are being responsive to environmental issues by proposing well-intentioned but misdirected bills, which often single foodservice out as a cause of the problem. A number of communities, including Portland, Oregon; Minneapolis, Minnesota; Newark, New Jersey and Suffolk County, New York; are passing ordinances that would ban most throwaway plastic food packaging that is not naturally degradable, returnable for reuse or acceptable for recycling. Bills in New Hampshire, New Jersey, North Carolina and several other states would impose taxes of up to four cents per container on all nondegradable packages.

At the root of all this legislation are the many misperceptions the public holds about the foodservice industry's interaction with the environment. The examples are numerous. For example, *The Washington Post* ran a story in July that used plastic foam food containers as an example of chloroflourocarbon (CFC) usage. In reality, the foodservice and plastic industries completed a total phaseout of CFCs last year, spending millions of dollars in the process.

Similarly, many Americans suffer from the common misperception that foodservice disposables account for a large portion of the country's trash. In actuality, despite the visibility of takeout and fast food packaging, foodservice disposables account for less than one-third of one percent of the trash in landfills.

We need to get a new message across to the public. We need to stress the positive steps we have already taken and those that we plan to take. We need to let people know that many restaurateurs already have acted effectively to protect the environment, raising funds for wildlife, underwriting artificial reef development, and voluntarily phasing out CFCs. Also, we need to publicize the reliable anthropological study that showed that fast food disposables account for less than one-third of one percent of total landfill waste.

Clearly, educating—or reeducating—the public is one of the most needed responses to the nation's environmental problems. It is essential that foodservice operators take a leadership role in this education process. But before we can assume a leadership role, we have to know the facts—and that is what this special issue of ***Restaurants USA*** is all about. Restaurateurs need to know the facts for three reasons: (1) so we can correct misperceptions regarding the amount and nature of foodservice industry-generated waste, (2) so we can implement socially responsible solutions in our operations, and (3) so that we can take the initiative in developing well-balanced solid-waste-disposal plans for our communities.

The bottom line is that something must be done about how our society handles its environmental problems. These problems will not go away if we ignore them. Our industry has an easy decision to make: Either we let the problem, the activists and the government control us—or we take an active role ourselves as part of the solution.

The articles in this issue will give you answers to many of the questions you might have about foodservice and the environment. They should also put you in a better position to respond to members of your community and to assume a role as a positive contributor to the trash solution.

Once you have established your sincere desire to contribute to the cleanup of your community and your operation, take steps to let people know about your efforts. For example, if you introduce a glass recycling program in your restaurant, keep statistics on how many pounds of glass you are saving from the dumpster each month and each year, and put out a press release to your community newspaper detailing the amount of landfill space you have saved.

I think you will agree that it is good business to position yourself as part of the solution rather than as part of the problem. By taking voluntary steps to reduce waste, you may avoid skyrocketing disposal costs and future restrictive legislation. Just as importantly, however, the members of your community will feel better about your restaurant when they see that you are responsibly taking action for the future. If not, we all run the risk of being buried under an avalanche of trash and damaging publicity.

Sincerely,

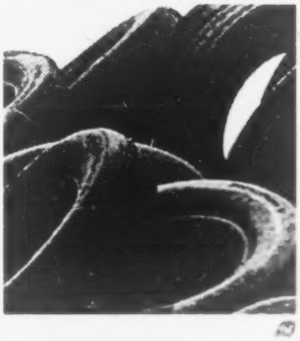
Bud Rusitzky

Harris H. "Bud" Rusitzky
President and Chairman of the Board

RESTAURANTS USA

COVER STORY: ENVIRONMENT

It is time for restaurateurs to turn their attention to protecting the environment. Solid waste, plastics, use of chemicals, animal rights, air quality, and food and water safety are some of the issues on the environmental agenda. These concerns will extend into the 90s as government, business and the public turn their attention to cleaning up the earth and conserving natural resources. ***Restaurants USA*** presents this special issue to explain how environmental concerns are affecting the restaurant industry and to help operators define their role in protecting the earth's bounty.



12 Restaurateurs protecting the environment
This article profiles several restaurants that have taken steps to protect the environment—from helping to clean up the Alaskan oil spill to supporting artificial reef development.

16 America's trash crisis—and what you can do about it
Solid waste. Those two words conjure images of overflowing landfills and wrappers blowing in the wind. Even though restaurants are responsible for less than one-third of one percent of the landfill content, foodservice products are disproportionately visible—and so is public concern. To understand this most pressing problem and some possible solutions, turn to page 16.

22 Misguided panic over plastics
Plastics are not the bad guys they are made out to be. Through responsible manufacture, use and disposal, plastics can continue to play an important role in foodservice packaging—without hurting the environment.

24 Napkins into art
Who would think that the common paper napkin could enjoy an afterlife as fine art? Seeing is believing—turn to page 24.

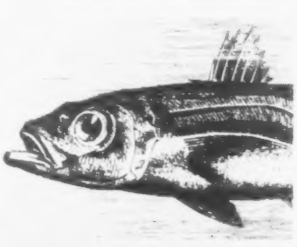
26 About creepy, crawly, squirmy things
Cockroaches, mice, rats and flies stalk restaurants, looking for food and shelter. The best defense against these dreaded creatures is to apply "integrated pest management"—a technique that focuses on keeping them out in the first place.

29 Reclaimed waterways
The water has a timeless appeal for customers who enjoy the soothing views. As American waterways are cleaned up and rejuvenated, restaurants are appearing on their shores in increasing numbers.

32 Water—more than H_2O
There is more to water than its chemical makeup. Each glass of water you serve your customers is only as clean and pure as its source.

34 Viewpoint—seafood is safe to eat
A representative from the National Fisheries Institute tries to put to rest the recent concern about the safety of seafood.

30 Aquariums—a watery world
And for inland establishments that want to bring the water inside, there are aquariums.



Cover photo by Gary Landsman; globe courtesy of the Nature Company

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SHORT ORDERS

PROTECTING THE ENVIRONMENT

Denny's Restaurant helps promote commuter courtesy

Connecting with commuters. Abe Levy, founder and chairman of the Drivetime Foundation, joins Reggie Williams, manager of the Denny's Restaurant in Hollywood, California, in a toast to safe driving at the official Drivetime Day celebration in Los Angeles on June 9. Denny's hosted hundreds of drivers, who were invited to take a break from their morning commute and drop by the restaurant for a complimentary breakfast, a commemorative Drivetime Day car sunshade, commuter coffee mugs and key chains.

A meal—and a babysitter

The Hyatt Regency New Orleans has an innovative solution for parents who long for a romantic dinner out but can't find a babysitter: They can visit the Top of the Dome, the hotel's revolving rooftop restaurant, and receive free child care while they dine.

As adults enjoy a spectacular view of the city and savor specialties, such as *Seafood Ragout Skillet* and *Crescent Prime Rib*, children ages 3 to 15 can enjoy fun-filled activities supervised by trained counselors at Camp Hyatt. The hotel's summer program for children features arts and crafts, movies, cooking demonstrations and other activities on Friday and Saturday nights from 6 p.m. to 10 p.m.

Camp Hyatt is part of Hyatt Hotel Corporation's effort to attract vacationing families this summer. Hyatt Hotels throughout the United States are offering half-price rooms and meals for children, a welcome packet of Camp Hyatt items and supervised weekend activities for young travelers so parents can enjoy a night on the town.

Cafe responds to environmentalists

After several months of discussion at Leon's Food Enterprises, the North Haven, Connecticut-based franchise company that includes Leon's Bakery Cafes, management has eliminated the use of foam at its New Haven outlet. The highly visible restaurant had been the target of many concerned citizens who lobbied to have the offending substance replaced with biodegradable materials.

The company replaced all foam substances (the trays, soup cups and plates contain some percentage of foam) with far more expensive cardboard and paper goods. It plans to maintain current prices, absorbing all the extra expenses incurred.

Catastrophe major medical insurance can supplement Medicare

If you're a Medicare recipient and you have a supplemental catastrophic major medical insurance plan, you're probably wondering just how important your additional coverage is in light of the new Medicare Catastrophic Coverage Act that went into effect January 1, 1989.

The answer? It really depends on your financial status—unless you're extremely well off and can afford to pay what Medicare doesn't, it still pays to have a catastrophe plan on your side.

Here's why. The most recent studies show that physician and hospital-billed charges are estimated to be 30 to 35 percent higher than Medicare-approved charges. And any expenses in excess of Medicare-approved charges are the insured's responsibility.

Catastrophe major medical plans were designed by the insurance industry to take over when the basic health-insurance carrier—and that includes Medicare—stops paying. In contrast, an insurance plan labeled as a Medicare supplement plan would only pick up any unpaid Medicare-approved costs such as deductibles and copayments. There isn't such a restriction on a catastrophe major medical plan.

In addition, many catas-

Fundraising to help others

☐ Customers who ordered a cold, frosty mug of A&W Root Beer during May supported the Arthritis Foundation. Ten cents for each drink sold went to the organization. "Help Bear Their Pain" was the catchy name given to the fundraiser sponsored by A&W Restaurants, which raised $90,000.

☐ In San Francisco, Square One donated $775, a portion of one day's receipts, to the United Way. The restaurant sponsored a United Way Restaurant Night for the second year in a row.

☐ This spring, Subway stores in 34 markets nationwide participated in the annual March of Dimes WalkAmerica, contributing some $31,000 in food, money and manpower for the prevention of birth defects. A comparable donation was made last year when Subway sponsored volleyball games for the March of Dimes.

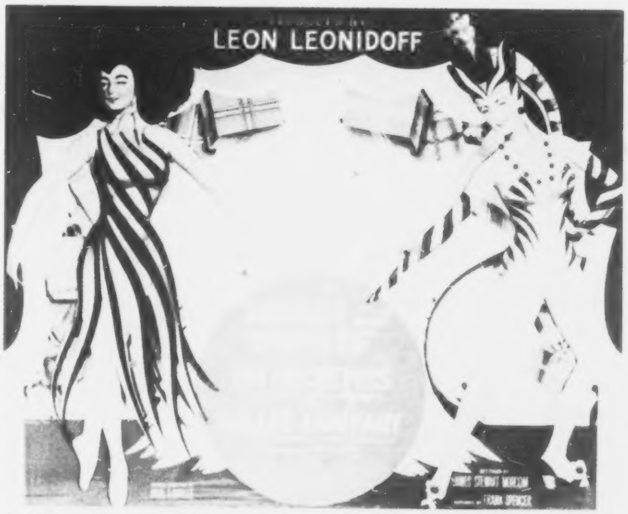
☐ More than 120 golfers teed off June 26 for a charity tournament sponsored by the Northern Virginia Restaurant Association. The tournament raised $15,000 for United Cerebral Palsy.

trophe major medical plans also provide partial benefits for nursing-home care. Once again, the catastrophe plan's nursing-home benefits usually begin only after all of Medicare's benefits have been depleted and the catastrophe deductible has been satisfied.

However, since the new Medicare only provides 150 days of coverage in a skilled-nursing-home facility, additional nursing-home coverage may be welcome. As a plus, a catastrophe plan can provide additional benefits for intermediate and custodial care. With an estimated 90 percent of nursing-home patients requiring custodial care—one of the types not covered by Medicare—insurance to pay at least some of the cost is important.

The National Restaurant Association offers a catastrophe major medical insurance plan. For further information, contact the association's insurance administrator Albert H. Wohlers & Co., NRA Group Insurance Plans, 1440 N. Northwest Highway, Park Ridge, IL 60068-1400. Toll free: 1-800-323-2106. In Illinois: (312) 803-3100.

Rediscovered posters



A decorating find. Fine-arts consultant Bernice Jackson of Concord, Massachusetts, has rediscovered 83 original poster paintings of the famed Rockettes of Radio City Music Hall. These impressive works, by artist George Telo (the artist for Radio City Music Hall for more than 30 years), were used to advertise the performances of the Rockettes from about 1940 to 1976. Large in size (72 by 54 inches), the poster paintings feature cutout figures of the dancers, in charming, colorful and sometimes outrageous costume, silhouetted against a stage set design. The themes range widely—from a salute to Irving Berlin, to exotic life in Samoa, to the down-home sounds of the American South. For more information, contact Jackson at P.O. Box 1188, Concord, MA 01742; (508) 369-9088.

Food for firefighters

When forest fires recently raged through parts of Utah, Nebraska and the Rocky Mountains, Grisanti's Casual Italian Restaurant, located in Arvada, Colorado, donated more than $5,000 worth of chicken and beef to firefighting camps at the Boulder Canyon Fire, Mesa Verde National Park, and the Ft. Robinson Fire in Nebraska.

According to general manager Eric Newton, Grisanti's wanted to help in the campaign to preserve the forests by providing food for hungry firefighters. "The Rocky Mountains boast some of the most spectacular scenery in the country," believes Newton. "This last series of fires seriously threatened that beauty. When we learned that Nobel Sysco, a food broker and one of our largest suppliers, was leading an effort to donate food products, we decided to join the cause."

As many as 500 firefighters were stationed at various camps within the vicinity of the fires. Each camp had its own cook and prepared the donated food with its own recipes.

ACF lobbies for National Culinary Week

Professional chefs and cooks from the American Culinary Federation (ACF) have banded together to seek support for passing a congressional bill to designate October 15 to 21, 1989, as National Culinary Week. The ACF members have initiated an aggressive grassroots letter-writing and phone-calling campaign and urge all who are aligned with their industry to do the same. The goal is to raise public awareness relating to the American professional chef and culinarian.

Paying with a check

TeleCheck Southwest, the Houston-based check-authorization company, and Mama's restaurants in San Antonio have teamed up to offer consumers the option of paying for their meals with the preferred form of payment . . . the personal check.

The TeleCheck/Mama's program, a 90-day pilot promotion, was developed with the help of the Texas Restaurant Association (TRA) in response to increasing customer demand for more payment options in restaurants.

"Ours is one of the first state associations to implement such a program," says David Gibbs, TRA vice president/member services.

During the promotion, servers at all four San Antonio Mama's restaurants will sport red-and-white buttons on their uniform shirts inviting customers to write checks. Colorful table tents and menu stickers will reinforce the invitation.

To generate additional interest in the program, oversized postcards touting the promotion will be mailed to households near Mama's restaurants. Patrons who pay for their Mama's meals with a check will receive a free movie rental from Blockbuster Video.

WASHINGTON REPORT

Association assails Koop report on drunk driving

Efforts to combat drunk driving by reducing the availability of alcohol in restaurants would be "misdirected" and "counterproductive," said William Latham, chairman of the National Restaurant Association's Alcohol Awareness Task Force, during June 21 testimony before the Senate Governmental Affairs Committee.

U.S. Surgeon General C. Everett Koop's May 31 recommendations to Congress on ways to curb drunk driving included calls to sharply increase alcohol taxes, reduce serving hours, eliminate happy hours, require certification for alcohol servers and strengthen liquor liability statutes. His list of recommendations is based on a 1988 workshop on drunk driving that the National Restaurant Association was not invited to attend.

"The principle here is the same as the principle behind Prohibition," said Latham. "It didn't work earlier in the century, and it won't work now."

Detailing the association's own programs against drunk driving, Latham asked Congress not to take any action on the Surgeon General's recommendations until a broader consensus is developed.

The association's recommendations would include a massive public education campaign, stricter enforcement of drunk-driving laws and effective treatment for alcohol abusers, Latham said.

MR MEISTER
MR LATHAM
MR BEAZLEY

Association director Bill Latham (Mississippi Restaurant Management, Inc., Jackson) discusses the restaurant industry's efforts to reduce drunk driving before the Senate Governmental Affairs Committee.

DC ROUNDUP

☐ **Senate panel okays minimum-health-benefits bill.** In a straight party-line vote (9 Democrats voting "yes," 7 Republicans voting "no"), members of the Senate Labor and Human Resources Committee signed off July 12 on S. 768, a bill by Sen. Ted Kennedy (D-MA) to require all employers to provide health insurance to workers employed for more than 17.5 hours a week.

The measure has met with heated opposition from the National Restaurant Association and other business groups. Although Kennedy says he wants to bring S. 768 to the Senate floor this fall, his chances for success are probably slim. The association continues its vigorous lobbying against S. 768 and its House companion, H.R. 1845.

☐ **Section 89 change likely.** By mid-July both the full Senate and the House Ways and Means Committee had signed off on similar bills that would make substantial changes to Section 89, the employee-benefits-nondiscrimination law. Action by the full House is expected later this summer.

The plans delay Section 89 requirements until 1990 and greatly simplify the tests employers must run on their benefit plans. Under both bills, employers who make affordable health-insurance plans available to at least 90 percent of their non-highly-compensated workers would be in compliance with the law.

In a victory for foodservice, both proposals would exempt employees working less than 30 hours a week from Section 89 testing. Nonetheless, the National Restaurant Association continues to campaign for outright repeal of the complicated law.

☐ **Association questions INS subpoena power.** Late last month the National Restaurant Association filed a "friend of the court" brief on behalf of a Texas restaurateur.

The restaurateur, Gilbert Ramirez, is contesting the authority of the Immigration and Naturalization Service (INS) to issue subpoenas during investigations of employers for hiring and paperwork violations.

Ramirez won the first battle in a U.S. district court, but INS has appealed the ruling to a federal appeals court. Both Ramirez and the National Restaurant Association maintain that administrative law judges *only*—not INS—have the power to issue subpoenas to compel documents and testimony from employers.

The appeals-court decision is likely to set a legal precedent that will affect similar cases across the country.

☐ **Earnings test may be lightened for senior citizens.** In a move that could give older workers the incentive to remain in or rejoin the workforce, the U.S. Senate last month approved a proposal that increases by $1,200 the amount Americans aged 65 to 69 can earn annually before they begin to lose Social Security benefits.

The National Restaurant Association is lobbying for the House to pass a similar measure, hoping the change would help widen the pool of prospective employees for foodservice jobs.

Under current law, any senior citizen earning more than $9,360 in 1990 would forfeit $2 in Social Security benefits for every $1 earned over that limit. The Senate measure would increase this earnings limit to $10,560.

—Denise Roach

Foundation announces Thad Eure memorial fund to aid education

The Educational Foundation of the National Restaurant Association has established an educational fund in memory of Thad A. Eure Jr., well-known foodservice industry leader who died November 1988.

"If ever there was a man who exemplified the term 'Mr. Hospitality,' it was Thad Eure. He was a friend to the industry, a friend to his customers and employees, a loving family man and a friend to his community," says foundation chairman Henry J. Cockerill.

The memorial fund has been established as a permanent fund with contributions from companies, associations and individuals. Administered by the educational foundation, the fund will be used to support educational programs of the hospitality/foodservice industry, including the areas of course development, career information, seminars, video training and other programs.

Contributions to the fund are tax-deductible. Checks should be designated for the Thad Eure Memorial Fund and made payable to The Educational Foundation of the National Restaurant Association, 250 S. Wacker Drive, Suite 1400, Chicago, IL 60606. (312) 715-1010.

Foundation awards 200,000th foodservice sanitation certificate

Receiving the 200,00th certificate of completion for *Applied Foodservice Sanitation*, a course of The Educational Foundation of the National Restaurant Association, is Gary Trobaugh (center), general manager of Bakers Square, Ridgedale, Minnesota. Presenting the certificate is Daniel A. Gescheidle (right), president of The Educational Foundation, as Emerson B. Kendall, president of Bakers Square, congratulates Trobaugh.

Board calls for voluntary manager training to ensure safe foodhandling

Acknowledging a high level of public sensitivity about the purity of the food supply, the National Restaurant Association's Board of Directors has called on association members to train managers in safe foodhandling. In a resolution passed unanimously at May's board meeting, the board committed itself to supplying the industry with food-safety training, testing and certification programs.

"We strongly urge our members to undertake voluntary training and testing of management personnel in order to reassure the public that high standards will be maintained in regard to foodhandling," said association president Harris H. "Bud" Rusitzky.

The association's Educational Foundation already offers a certification program, entitled "Applied Foodservice Sanitation" (AFS), in four forms—books, seminars, home-study courses, and programs in colleges and individual companies. More than 200,000 AFS certificates of completion have been conferred to date, and the foundation believes that operators who maintain at least one certified manager per establishment will uphold satisfactory foodhandling standards.

"The board acknowledges the industry's responsibility to ensure safe foodhandling practices in restaurants," says Rusitzky. "We can best meet this responsibility by establishing and teaching general standards for safe foodhandling practice."

The board has also committed its resources to fostering acceptance of managers trained to these standards in health jurisdictions that require certification of food-safety knowledge.

Balestreri spearheads changes in 1992 Culinary Team USA

Ted J. Balestreri, past association president and current chairman of the U.S. Culinary Team Foundation, has announced that the team of chefs representing the United States in the 1992 International Culinary "olympics" in Frankfurt will be structured so that "every region of our great country, as well as the foods indigenous to these regions, will be proudly represented."

The U.S. Team, officially to be known as the 1992 Culinary Team USA, will be headquartered in Walt Disney World in Orlando, Florida. The team was previously headquartered at the Culinary Institute of America in Hyde Park, New York. Keith Keogh, executive chef at Walt Disney's EPCOT Center, has been named the team manager for 1992.

According to Balestreri, the 1992 Culinary Team USA will consist of a five-member national team and four five-member teams from the following regions: Northeast, Southeast, Central and West. A regional team from the U.S. Armed Forces will also compete in Frankfurt as part of the 1992 Culinary Team USA.

Four regional tryouts will be held early next year to determine which chefs will then be eligible to participate in the national tryouts. National tryouts will be held at the 71st annual National Restaurant Association Restaurant, Hotel-Motel Show, May 19-23, 1990, in Chicago.

"Any chef who aspires to a position on the 1992 Culinary Team USA must possess extraordinary talent just to make it through the regional tryouts," Balestreri said. "The national tryouts, then, will truly be a test of the best and brightest in our industry."

At the national tryouts, the top-scoring chef from each of the four regions, as well as the best overall pastry chef, will be named to the national team. Other top scorers from each region will be named to the regional teams.

At the "olympics," all team members will compete in the cold-food and hot-food-presented-cold segments of the competition, but the national team alone will compete in the prestigious hot-food competition. Pastry chefs from both the national and regional teams will compete in a special pastry-competition segment.

—Anne Papa

Wheeling, Illinois

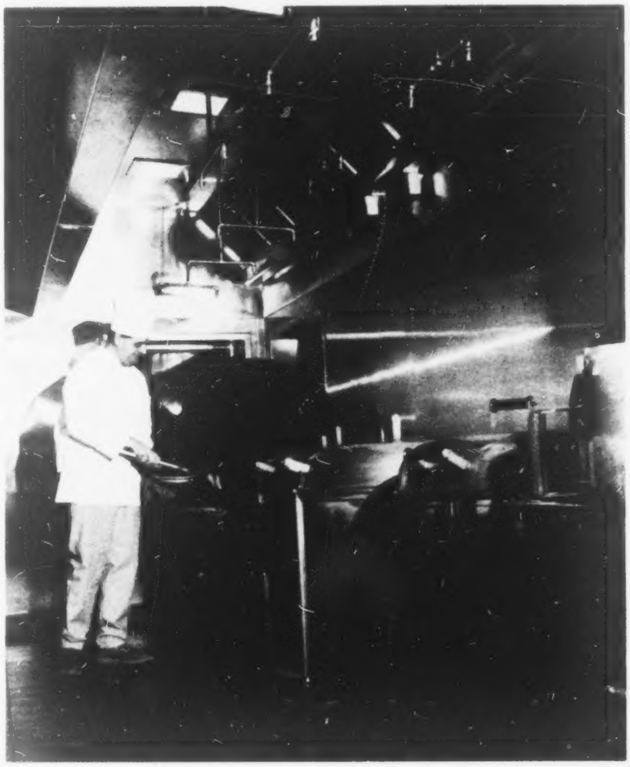
Grill crazy

What can beat the summertime tradition of barbecuing a sumptuous meal on a trusty Weber grill—especially if someone else is manning the old Weber? The new upscale we-grill-it-for-you concept is packing them in at The Weber Grill, in the Chicago suburb of Wheeling, where chefs cook a variety of meats and seafoods in a kitchen stocked with a slew of heavy-duty Weber kettle grills.

Entrees at the Grill range from the traditional barbecued chicken and steaks to stuffed pork chops, scallops, shrimp, crusted trout and mixed-grill kabobs, which include beef tenderloin, chicken, Italian sausage, Canadian bacon and lamb, marinated in an herbed parsley vinaigrette. The items are grilled over a mixture of charcoal and aromatic woods.

Just in case patrons don't clue into the restaurant's theme from its name, stained-glass windows feature red grill kettles, and tile floors are inlaid with the Weber's famous black kettle logo. In addition, specially designed Weber grills serve as beverage carts and are wheeled to tables so the staff can prepare the restaurant's signature Irish coffees.

Best of all, however, kitchen windows allow patrons to participate in the one occupation that might be more satisfying than summertime grilling: critiquing the performance of the hard-at-work grill cook.



The long line of grills in The Weber Grill restaurant exhibition kitchen present an impressive view for customers.

Chicago, Illinois

Someone's in the kitchen with Charlie

For most people, dining at the kitchen table is no special occasion—unless they are at Chicago's highly acclaimed Charlie Trotter's. In May, chef/owner Charlie Trotter began a unique promotion in which a table for four is set up in the kitchen so customers can see for themselves what goes on behind the traditionally closed swinging doors.

Trotter has always advocated "extreme openness" in his four-star restaurant. "Since we opened 18 months ago, staff members have known they are welcome to invite customers back to the kitchen if the customers express an interest," says Trotter. This open-door policy is in part a response to disappointing experiences Trotter has had in other fine restaurants. "Several times, after an exceptional meal, my request to see the kitchen was de-

clined because it was against policy, or the kitchen was dirty or too busy. Those refusals deflated my experience," recalls Trotter.

Taking a cue from some of the fine French restaurants he came across while apprenticing in France—where a table was set up in a room behind the kitchen for friends and colleagues to visit with the chef and enjoy an informal meal—Trotter set up a table, too; but it turned out to be smack-dab in the center of the kitchen—and open to anyone.

Although Trotter wasn't sure what to expect when he added the kitchen table, the promotion has proven to be such a hit with customers that the table is booked six weeks in advance. Customers seem to agree that the opportunity to enjoy an innovative four-star meal in such a unique, frenetic (and yes, hot) setting is worth the wait.

According to Trotter, more than a few of the kitchen-table customers get surprisingly caught up in the thrill of the kitchen experience. "Ninety-five percent of the customers are very enthusiastic, some to the extent that they learn the cooks' names, walk around the kitchen and spontaneously buy champagne for the staff," says Trotter. "The other five percent are almost oblivious, which makes you wonder why they wanted to do it." Trotter, by the way, is glad to see customers walk around the kitchen, although he admits that he has been unnerved by some extreme cases in which enthusiastic patrons have ventured behind the busy hot line.

After taking about two weeks to become accustomed to being on stage, the kitchen staff now conducts itself no differently than before—except perhaps with a bit more pride. "Our staff is young, and many of them have never had the chance to work in a theater kitchen," says Trotter. "Actually seeing the customers' responses is more gratifying than when a waiter says, for example, 'My table is really pleased with its appetizers.' "

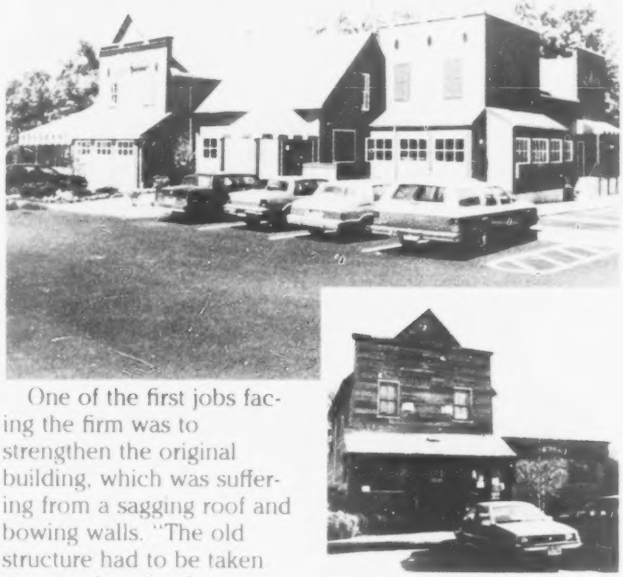
***Restaurants USA* staff enjoys the ringside dining at Charlie Trotter's.**

Buffalo Grove, Illinois

Designing the past into the present

When Chicago's Lou Malnati's Pizzeria was moving into a historic building in Buffalo Grove, a fast-growing northwestern suburb of Chicago, it faced a challenging design dilemma: how to put a 315-seat pizzeria into a 150-seat, 110-year-old roadhouse without destroying the environmental integrity of the historic building.

So the owners called architect Gregory Tabb, president of Chicago-based Tabb Associates. As the group members proceeded through preliminary design schemes, they determined that the scale of the addition (which would bring the original 1,500-square-foot building to a total of 6,700 square feet) would appear to have a much larger physical presence than the landmark itself—unless the addition could be in small units. These small units, Tabb reasoned, would enhance and maintain the presence of the original structure while at the same time breaking down the scale of the addition.



This 1,500-square-foot landmark (inset) became a 7,600-square-foot pizzeria—without destroying the building's structural integrity.

One of the first jobs facing the firm was to strengthen the original building, which was suffering from a sagging roof and bowing walls. "The old structure had to be taken apart and put back together, just like an old piece of furniture," says Tabb. Next came the interior of the historic structure.

After completely gutting the existing interior, the firm strove to create the perception that the restaurant had been added onto periodically over the years and remodeled two or three times. To achieve this effect, a series of rooms, each with its own flavor and period style, was developed.

The diversity of the rooms, says Tabb, also serves "the different environmental requirements" of the groups who frequent pizzerias. "Pizzerias attract a diverse clientele. The restaurant was designed to accommodate the needs of all users," he adds, "including business people in suits, couples out on dates, softball teams after the game, parties and large families."

—David Slater

PROTECTING
THE ENVIRONMENT

RESTAURATEURS PROTECTING THE ENVIRONMENT

by Joan E. Herlong

Restaurateurs are realizing that what is good for business should also be good for the environment. Their customers must agree, because what is good for the environment is often very good for business, too!

FLORIDA STATE
WHOPPER
BURGER KING
WHOPPER

Concern for the environment from individuals, municipalities and businesses has become widespread, no longer the bailiwick of a small core of "granola-type" environmentalists who warned us back in the 70s of the problems we now face in the 80s and 90s.

As politicians of all stripes are responding to this concern, so too is corporate America, including restaurateurs large and small. Restaurants are taking an active role in protecting the environment, through such activities as fundraising, purchasing and menu planning.

Burger King served complimentary meals to 200 wildlife rescue workers in Valdez, Alaska.

An oil-spill-cleanup welcome mat

Larry Baker *is* Burger King in Alaska, owner of all 12 of the franchises in that state. Baker was vacationing in Hawaii when Alaska suffered its biggest oil spill ever, on March 24 of this year. Baker recalls he didn't realize the extent of the oil-spill tragedy until he flew into the Anchorage airport three days later "and all the bags on the luggage carousel had press stickers on them except mine. I decided then I had to do something to help out."

Baker saw that tiny Valdez, Alaska, on Prince William Sound, was swamped with more than just oil. "Valdez is usually a town of about 3,000, but it ballooned to 7,000 after workers began arriving to clean up the spill," recounts Baker. "So I called the [Burger King] parent corporation and asked them if they could send me one of their mobile units to help out the folks in Valdez. They said 'Sure.' In fact, they got it to me—a distance of about 2,500 miles—in less than a week."

"We moved [the mobile unit] down to Valdez in early May and fed all the hundreds of volunteer workers there for free on the first day. Then we opened for business," says Baker.

The response to Baker/Burger King's gesture has been overwhelmingly positive. "For people working or volunteering to clean up this thing 12 hours per day in a place as tiny and remote as Valdez, to have something as familiar as Burger King there is a real 'welcome mat' for these workers," enthuses Baker.

In addition to the Burger King mobile unit, scheduled to remain in Valdez at least through the summer, Baker organized a Burger King fundraiser during May to benefit the Prince William Sound Community College Oil Spill Recovery, Research and Education Fund. Five cents from every Whopper sold in May was donated to the fund. With the sale of more than 70,000 Whoppers in the 12 units, approximately $3,500 was raised. Customers also contributed to the fund through cash or check donations in specially marked containers.

In his 15 years as a Burger King franchisee, Baker has always been active in community sponsorship projects, so it never occurred to him not to get involved with the oil-spill-recovery work. Even so, Baker is astounded at the public reaction and attention his efforts have reaped: "I've never been involved in anything that has generated as much positive response and enthusiasm in just 10 days as this project," marvels Baker. "We have had a lot of notes, cards and telephone calls—to me personally and to my local managers—just from 'John Q. Citizens' who are all saying 'I just wanted to say thanks for what you're doing.' People feel totally frustrated by this tragedy. There's not much you can do personally, and this is a vehicle that allows them to help."

Baker feels as if business has picked up since he launched the mobile-unit fundraiser project, but he does not focus on that aspect. "You've got to remember that [Alaska] license plates say 'The Last Frontier' on them. My customer base is very environmentally conscious," explains Baker. "The goodwill that [this project] has generated is worth a lot more to us than just an immediate increase in business."

Fundraising for wildlife

Last Christmas, it seemed that every fast-food chain ran a sideline business in stuffed-animal stocking-stuffers. There was no escape from the constant clamor of "I want that!" even as parents took time out from the shopping hordes for a quick burger.

Wendy's offered stuffed animals, too, but not as a seasonal sideline in the toy business. Buying a plush animal from Wendy's last holiday season may have stuffed a few stockings, but it also helped fill the World Wildlife Fund's coffers—by more than half a million dollars.

Promotional screen testing at Wendy's revealed that the World Wildlife Fund animals were the most

Serving veal—a moral dilemma?

People can have different ideas about what is good for the environment. Take the case of veal. Animal-rights activists have been decrying the methods of raising veal calves for years, and a growing number of people have become squeamish about eating veal after hearing the stories of calves chained in confining stalls where they endure torturous conditions until they are brought to slaughter. But for every charge of cruel and inhumane treatment, there is a strong rebuttal from agricultural and meat-production groups, who claim that safe, proper and humane practices are used in large-scale veal production.

This debate is exacerbated by the inevitable question: Is eating veal worse than eating any other meat product? Horror stories about commercial livestock production and slaughtering are not confined to veal calves, although a great deal of attention has been focused on them. Says Tom Catherall, chef of The Cherokee Town and Country Club in Atlanta, Georgia, "If slaughterhouses had windows, the world would be vegetarian."

Whether to serve meat is a complex and emotional issue that will continue well into the future, but in the meantime it does pose a quandary for restaurateurs who are eager to serve food that they—and their customers—can feel good about eating.

Deciding not to serve veal

For some people, the consumption of veal poses a moral dilemma because of what they have learned about veal production. It's a moral dilemma that many restaurateurs find themselves facing, too, and some have responded by not serving veal.

Robert Hoeb, general manager of the Clarion Hotel in Cincinnati, removed veal from the menus of the hotel's two restaurants, Zack's and The Top of the Crown, in November 1988. "I did it because I was concerned about the process," Hoeb states, and recalls that it was his 10-year-old daughter who first brought the issue to his attention. Hoeb claims the decision generated mostly positive response. "I never thought taking an item off the menu would generate so much attention. I've received only one negative letter from the public, versus about 400 positive ones. I learned from one of the hostesses that people used to call to ask whether veal was served and then *not* make a reservation. Now there is not a veal plate on the menu, and we put a statement on the menu explaining why."

Baron's Restaurant and the Charter Room at the Velvet Cloak Inn in Raleigh, North Carolina, also removed veal from their menus. "I just really object to the cruelty to animals," says food and beverage director Alan Scott.

Refuting allegations

Proponents of veal production maintain that veal calves are not mistreated during their short lives. Veterinarian Tim Phillips wrote an article for *Large Animal Veterinarian* magazine's January/February 1989 issue in which he refuted allegations of inhumane treatment of veal calves that were made by The Humane Farming Association, a California-based organization. To the claim that calves spend their entire lives chained in wooden boxes that measure 22 inches wide and 56 inches long, Phillips responded that calves are generally raised in two housing systems. The more common system employs individual stalls—most larger than the 22-by-56-inch measurement—in which calves can stand or lie down. Phillips didn't deny the use of neck chains, but noted, "Neck chains are controversial, and their use is being critically examined."

Phillips also claimed the individual stalls provide for better care of the animal because of the reduced chance of contracting diseases from other calves and the individual monitoring of each calf. According the Phillips, the other system of loose housing—which activists might consider more humane because it allows the calves to interact—requires a good deal more labor and care to monitor individual development and to identify and treat problems.

Phillips also refuted charges that calves are raised in the dark, are overdosed with antibiotics and are raised to be anemic. "Most veterinarians, producers and animal-welfare activists are motivated by humane concerns. . . . A small percentage of veal farmers have poorly managed, squalid operations, most likely in violation of existing laws. It is unfair and counterproductive to use them to indict an entire industry which works to maintain and improve animal welfare," he wrote.

Choosing an alternative

There is an alternative for operators who want to serve veal but who have doubts about the commercial production process. The alternative is to serve "free-range" veal. "Free range" is a loose term that can be more or less restrictive, but in the case of the free-range veal raised by Jamie and Rachel Nicoll on their Summerfield Farm in Brightwood, Virginia, free-range means "Veal calves nurse on their mothers and are allowed to roam with them." Jamie Nicoll reports that in recent years "sales have been up dramatically." One customer is Alice Waters of Chez Panisse in Berkeley.

Not only does free-range veal make some restaurateurs feel better about serving the meat, but some have also discovered another benefit to using it—taste. Jamie Nicoll recounts how the farm conducted taste experiments. "We raised some calves on mother cow's milk and others on the powdered milk replacement other veal producers use. Then we did a blind taste test and found that the free-range veal was actually much better in flavor and texture." Apparently many of Nicoll's customers agree, and some say they switched from mass-produced "mainly for taste reasons."

Free-range veal is, however, more expensive than mass-produced veal, and cost has been a deterrent for some operators. Says Chris Kump, co-owner and head chef of Cafe Beaujolais in Mendocino, California, who has been serving free-range veal for two years. "Free-range veal can certainly be more expensive—40 to 50 percent more expensive than mass-produced. The key to making that worthwhile is putting [the reason why] on the menu."

In the end

In the end, the decision to serve or eat veal (or any other product) is a matter of individual choice. Human beings coexist with other life-forms and, in fact, rely on other life-forms for survival. Debate about how humans treat animals—particularly those that provide food and clothing—will continue well into the future. In a very real sense, foodservice operators serve as a link in the food chain, and therefore have a role to play in the debate. By getting all the facts, carefully investigating purveyors and their production practices, and being sensitive to customers' concerns, operators can make the decision to serve or not serve a particular item with confidence.

World Wildlife Fund's
SNOW LEOPARDS
KOALAS
TIGERS
GIANT PANDAS

Sale of these stuffed animals added to the coffers of the World Wildlife Fund.

attractive to children and their parents. The stuffed animals appealed to children, and helping to preserve endangered species impressed parents.

Tom Heskamp, director of sales promotions at Wendy's International, explains that the World Wildlife Fund promotion was "a win-win situation for Wendy's. We sold out all the animals. It increased store traffic, and it raised a lot of money for the World Wildlife Fund."

Heskamp adds that at $1.99 each, "we offered a real value for the plush animals. The idea was not to make money on a premium but to generate traffic. A sales promotion always aims to bring more people in. If it brings in more people who are also concerned about the environment, so much the better."

As a companion to the plush-animal promotion, Wendy's "Kids' Meals" featured a four-book series providing educational information about the four endangered species sold as plush animals: snow leopards, pandas, koala bears and tigers.

Heskamp notes that the promotion also generated a lot of mail from Wendy's franchisees and customers. "We received more than 100 letters, all very positive. They basically said it was nice to find something educational in a Kid's Meal instead of a plastic toy that breaks right away. We even received letters from teachers requesting extra books."

Joan E. Herlong is a freelance writer in Arlington, Virginia.

A commitment to the seas

"Seafood is really the only food we have left that is hunted," claims Dick Monroe, vice president of public relations for Red Lobster restaurants. "It's a renewable resource, but we have to respect it and not strain it so that it will remain renewable." Keeping the oceans well-stocked with fish and shellfish is in the best interest of a national chain such as Red Lobster, which serves seafood from 33 countries. So the company has taken a responsible and proactive stance to keep the world's oceans healthy and well-stocked.

Monroe says that Red Lobster puts on its "long-range-vision glasses" to assess its role in maintaining the oceans' ecosystems. The purchasing department keeps up to date on international fishing practices by reading journals and following news reports—especially on any new fishing quotas that have been set. Red Lobster representatives also attend national and international conventions for the fishing industry to keep abreast of what is happening in the world's oceans.

The quotas—which dictate how much fish can be taken from the ocean and at what time and place—not only allow Red Lobster to plan its menu around the expected harvests, but also serve as guidelines for working with suppliers. The company buys its seafood only from reputable suppliers who obey the legal quotas. Red Lobster has worked with some of its suppliers since the early 1960s and knows that they abide by the quotas, but it must be cautious when working with new suppliers who may not share the company's long-term view.

"We work closely with developing countries to make sure they don't over-harvest [fish] in order to make short-term profits," explains Monroe. This program isn't only environmentally sensitive, but for Red Lobster it makes good business sense. "We don't want to have to take an item off the menu because we can't find it any longer. Nor do we want to have to constantly search for new suppliers. If we are working with a shrimp fisherman from Ecuador, for example, we will say, 'You have a great product. We want to continue to buy from you. We don't want to come back to you and find out the waters are fished out.' That's why we won't support a processor who is straining the resource." Monroe is quick to point out that Red Lobster doesn't preach or interfere with these suppliers' operations, although it is happy to put them in touch with experts who can help them adopt sound conservation practices.

Red Lobster also supports research in harvesting and artificial reef development through university grants. The artificial reefs not only help to build lucrative fishing grounds that companies like Red Lobster will need in the future, but they also attract sports fishing and prevent shoreline erosion.

In addition, Red Lobster has initiated an educational program that provides broad-based information on the marine industry and the oceans to elementary and high school students.

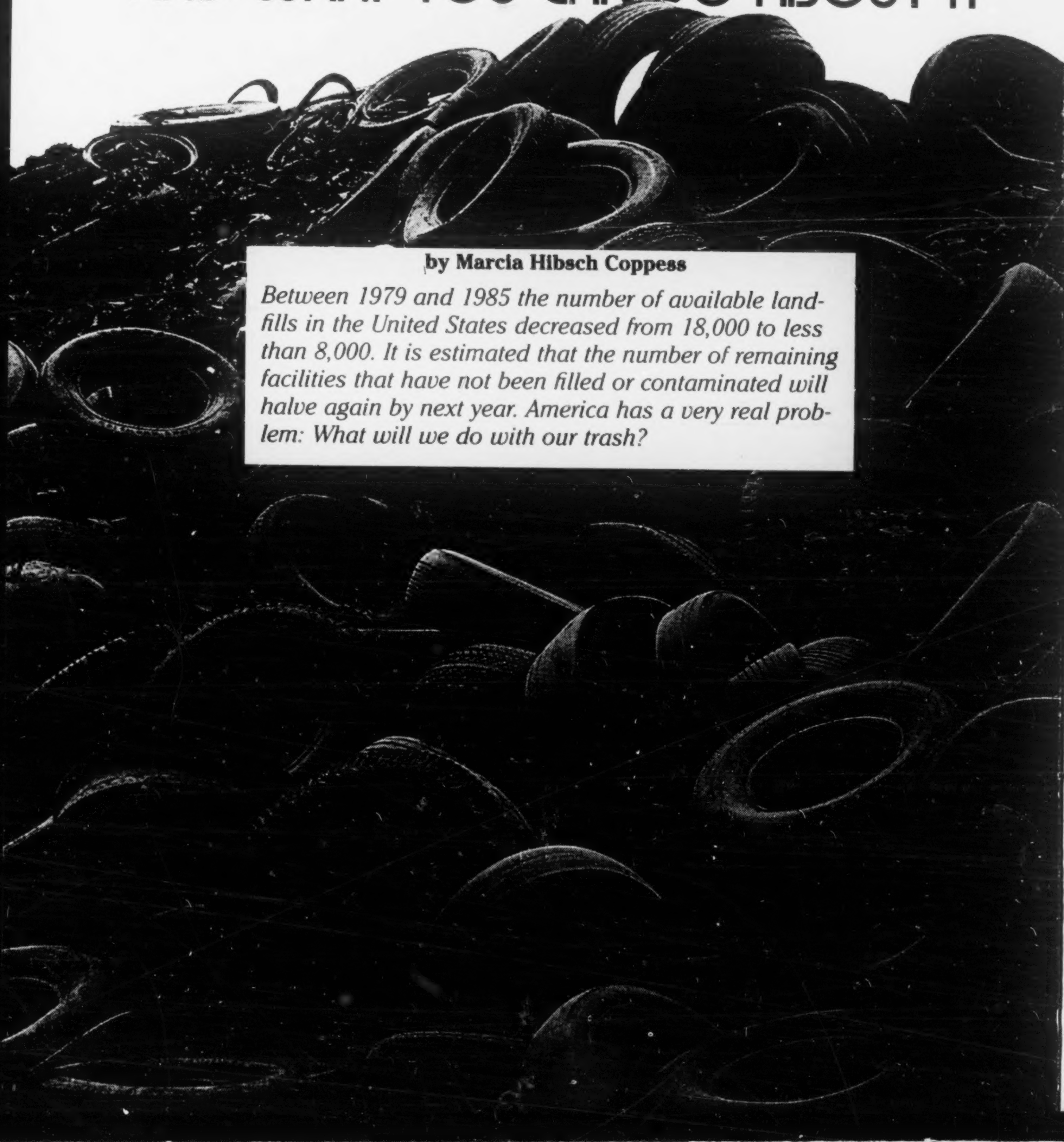
Red Lobster has sent the modules to school systems across the country in its market areas and estimates that 10 million students have taken part in the program to date.

All of these activities certainly mean good P.R.—and therefore good business—for Red Lobster, but as Monroe sums it up, working to maintain the environment "just makes good sense." ❑

PROTECTING
THE ENVIRONMENT

AMERICA'S TRASH CRISIS

AND WHAT YOU CAN DO ABOUT IT



by Marcia Hibsch Coppess

Between 1979 and 1985 the number of available landfills in the United States decreased from 18,000 to less than 8,000. It is estimated that the number of remaining facilities that have not been filled or contaminated will halve again by next year. America has a very real problem: What will we do with our trash?

SNIFFING THROUGH THE TRASH

How Much Do You Know About Solid Waste?

1. Approximately how much municipal solid waste will be generated for each and every man, woman and child in the United States in 1989?
a. 365 pounds
b. 656 pounds
c. 1,307 pounds
d. 779 pounds

2. How much do some municipalities spend to get rid of each ton of their garbage?
a. $25
b. $50
c. More than $100
d. All of the above

3. What percent of the garbage now goes to landfills?
a. About 74 percent
b. About 95 percent
c. About 56 percent
d. About 28 percent

4. In 1989, there will be less than 6,000 landfills in the United States. How does this compare with the number of landfills available 10 years ago?
a. 110 percent
b. 75 percent
c. 48 percent
d. 66 percent

5. By next year what percent of major U.S. cities will be out of landfill space?
a. 10 percent
b. 25 percent
c. 33 percent
d. 50 percent

6. How much of our solid waste is now being recycled?
a. About 65 percent
b. About 35 percent
c. About 17 percent
d. About 11 percent

7. According to the Environmental Protection Agency (EPA), what would be a reasonable national goal for recycling in the year 1992?
a. 85 percent
b. 25 percent
c. 50 percent
d. 42 percent

8. What percent of solid waste from a foodservice operation could possibly be separated, picked up and taken to be recycled?
a. 10 percent
b. 33 percent
c. 25 percent
d. 50 percent or more

9. Today, what percent of solid waste is being sent to "waste-to-energy" facilities to be burned to produce steam and electricity?
a. 33 percent
b. 25 percent
c. 47 percent
d. 15 percent

10. In the year 1992, what percent of solid waste burned for energy does the EPA say would be a realistic goal in order to help eliminate the solid-waste problem?
a. 33 percent
b. 50 percent
c. 65 percent
d. 25 percent

11. After solid waste is burned, what percent of the volume remains?
a. 35 percent
b. 10 percent
c. 18 percent
d. 5 percent

12. What percent of the municipal waste stream is composed of all containers and packaging?
a. 75 percent
b. 12 percent
c. 30 percent
d. 50 percent

13. What percent of landfills is taken up by all fast food packaging waste, including both paper and plastic?
a. About 32 percent
b. About 12 percent
c. About 3 percent
d. Less than one-third of one percent

ANSWERS:

1. c
2. d
3. a
4. c
5. d
6. d
7. b
8. d
9. d
10. d
11. b
12. c
13. d
14. d
15. c & d
16. e
17. all
18. d
19. c
20. d

"NIMBY" stands for "Not in my backyard."

14. If biodegradable materials were used to manufacture all foodservice disposables, how much more landfill space would be available?
a. 22 percent c. 2 percent
b. 12 percent d. None

15. What is "NIMBY"?*
a. Member of the National Institute to Malign and Berate Yuppies
b. A person who hangs around garbage facilities
c. A person opposed to siting of landfills near his or her home
d. A person opposed to having a waste-to-energy facility nearby

16. Which of the following foodservice packaging materials can be recycled?
a. Paper
b. Rigid plastic
c. Foam plastic
d. Aluminum
e. All of the above

17. Which of the following items are major advantages of foodservice disposables?
a. Sanitation
b. Convenience
c. Economy
d. Safety

18. Certain foam foodservice products have used fully halogenated chloroflourocarbons in their manufacture. What percent of these foam disposables ever used CFCs?
a. 100 percent
b. About 75 percent
c. About 50 percent
d. About 35 percent

19. What percent of foam foodservice disposables are still manufactured using fully halogenated CFCs?
a. About 30 percent
b. About 5 percent
c. Less than 1 percent
d. About 15 percent

20. What can be done to help erase the misconceptions about foodservice disposables and to stop ill-advised "knee-jerk" legislation and regulations?
a. Become educated about solid-waste concerns and facts
b. Become involved in recycling efforts
c. Get to know decisionmakers and provide them with accurate information
d. All of the above, and more

Reprinted with permission from the Foodservice & Packaging Institute, in Washington DC.

Although one anthropologist's study showed that fast food disposables account for less than one-third of one percent of total landfill waste, the fleeting use and frequent litter problems associated with the gaily decorated fast food containers have caught a concerned public's attention. Burger boxes and plastic cups have become the targets of legislators and city councils as they grapple with the challenge of finding space to discard America's waste.

"The fast food industry isn't the biggest contributor to the waste stream," says Paul Mitchell, vice president of public relations for Carl Karcher Enterprises. "But we're the only ones who put our names in big bright colors on our contribution!"

Numerous elements drive this growing issue. Among them are the facts that landfills are quickly becoming "landfulls"; soaring trash-hauling costs are prompting municipalities to

RECYCLING CASE REPORT

Metal, glass, grease, corrugated cardboard, papers and even plastics are all becoming diamonds in the rough as city landfills close and hauling costs go up. Recycling presents a source of restaurant revenue and a way to avoid waste hauling costs.

Marty Westerman ©1989

"When's the last time somebody approached a bar or restaurant owner and said, 'I want to pay you for something you throw away?' "

That is the query of George Alpert, who directs the two-and-a-half-year-old Phoenix Project, aimed at getting California's bars, restaurants and hotels to recycle their waste materials. The Phoenix Project concentrates on glass, because the project's sponsor is the California Glass Recycling Corporation (CGRC), but the 16 contract hauling firms that participate in the project also collect metals and corrugated cardboard. The Phoenix Project now includes 3,500 bars, restaurants and hotels in 225 cities in the Sacramento, Los Angeles and San Francisco Bay areas, and it is in the process of adding more.

People such as Alpert are working nationwide to make recycling a higher priority for restaurateurs. Only a few thousand operators currently recycle—although most agree it is a good idea.

Those who do not recycle have several reasons: They don't believe they have enough materials to bother; they think it would be too much trouble for their employees; scrap pickups aren't frequent enough or they have not taken the time to find recyclers; and there isn't enough space to store the materials. The restaurateurs who do recycle limit their efforts to fewer materials than they could be recovering.

Between 60 and 70 percent of restaurant waste may be recyclable, according to Rod Edwards, a vice president with the New York-based American Paper Institute.

"In 100 pounds of restaurant garbage, probably 25 pounds is corrugated cardboard, 20 is glass, 15 is cans, 30 is food, and 10 is other materials, such as plastics and paper," he says. "A pizza place will have more glass jars and steel cans. A place that serves a lot of fresh foods will have fewer recyclables."

More trash than expected

Most restaurateurs do not believe they throw that much away. California operators can get $20 and $40 a ton from Phoenix Project haulers for their glass alone; but even among those participating, few believed they throw out anywhere near that quantity.

"One of our first customers was a Mexican restaurant in Anaheim," recalls Alpert. "I asked him if he sold any Corona beer, and he said he sometimes sold over 100 cases a week. Those 100 cases weigh 1,700 pounds, which meant in just over a week he would have handled a ton of glass. A case of standard 12-ounce beer bottles weighs 10.5 pounds; of one-liter glass, 13.5 pounds; of 750-ml wine bottles, 11.6 pounds; of 750-ml champagne bottles—17.25 pounds. To that, you add jars and bottles."

The Phoenix Project supplies bins for the glass and signs up restaurants on a hauling schedule. Operators with limited space can have a remote, locked bin. Alpert reckons that the project is collecting 3.5 million pounds of glass per month, which represents more than 60 percent of covered containers in the seven biggest counties of California.

United Airlines at Newark, Chicago/O'Hare and Denver has been recycling aluminum cans from its airplanes for two years. At Newark alone, United is turning more than $2,000 a month in profit and avoided costs.

In San Francisco, Clement Street Bar & Grill owner Rico Nappa finds recycling "pretty easy, all in all." He started recycling glass, cardboard and cooking fats three years ago in a city-sponsored program.

The glass is collected twice a week by

seek volume-cutting measures; media reports and special-interest groups have contributed to the public's misperception that fast food outlets create a large portion of the waste stream; legislators are looking for a quick, politically popular salve for the public's concerns; and fast food containers have come to represent the "throwaway society" that catapulted America toward this landfill crisis.

Clearly, an approach is needed that combines responsible disposal of waste with thoughtful public education. The answer must be philosophically, practically and financially acceptable to everyone, including customers, lawmakers, environmental groups and the foodservice industry.

"McDonald's advocates a balanced approach of true solutions to this problem," says Cliff Raber, vice president of government relations at McDonald's Corporation. "We don't want false solutions, such as bans, forced substitution of products or [the] mandated biodegradability levels that some municipalities have instituted."

The ultimate goals must include landfilling, industry action and improved public perception. The most reasonable approach to those goals is a combination of five different solutions. In some parts of the nation certain approaches are more practical and cost-effective than others. But all are necessary; and if any are eliminated, the others are weakened.

1. Source Reduction

Solid-waste-management experts use the term "source reduction" to refer to a decrease in the total amount of material used. The reduction can be accomplished by simply doing with less or by packaging more carefully and frugally.

In addition to the environmental benefits of this action, an added benefit is the two-part savings potential each restaurant may enjoy as unnecessary packaging is omitted. The first area of savings is the lowered packaging cost. A second can be a reduction in hauling fees as refuse volume decreases. Although Mitchell reports that hauling fees have not become a concern in land-rich California, fees in the Northeast have soared from 100 to 300 percent.

Source reduction means making every piece of paper, cardboard, plastic and polystyrene foam earn its keep. It means questioning the need for two, three and even four layers of packaging on a hamburger, and asking distributors why boxes of sandwich meat must be packed in paper, plastic and *then* a cardboard box. It means considering the value of paper wrappings on straws and the liners on trays.

Eliminating redundant packaging is one of the simplest ways to reduce resource use. One operator may conclude that paper tray liners are not necessary if trays are washed faithfully. Another may decide to forgo the paperboard sleeve around its paper-wrapped sandwiches.

"When you buy heavy equipment for your kitchen, you should make sure it does what you need it to—no more and no less," says Robert Harrington, assistant director of technical services and public health and safety for the National Restaurant Association. "Ask yourself, for instance, whether you need waxed paper or can do with plain paper, or a plastic film instead of a rigid plastic box."

Many source reductions can be made without affecting your customer's comfort or convenience. McDonald's eliminated the need for 2 million pounds of packaging per year by repacking its french-fry cases in such a way that the same case now holds three more pounds of potatoes. Several fast food chains have discovered the value of delivering soft-drink syrup directly from the truck to tanks, rather than delivering the syrup in containers.

A second side of source reduction is the development of more efficient packaging. Shelby Yastrow, executive vice president and general counsel of McDonald's, reports that his corporation is investigating alternative packaging.

"Our commitment in alternative packaging is to the customer, however," Yastrow says. "We are committed to giving the high-quality product that our customers have come to expect, so we are looking for more than just going back to a paperboard box. We are looking for satisfactory packaging that will maintain quality *and* be environmentally responsible."

garbage haulers, who supply containers for it and sell it. "They send us a $50 or $60 check every couple months," Nappa says. "It's not much, but it beats paying them to take it away." Restaurateurs don't necessarily use their recycling money for profit. According to Alpert, many use it for charity or to start employee funds and other accounts.

Nappa's cardboard is collected daily by entrepreneurs with pickup trucks. "It's a little more work breaking the cardboard down and separating it, but you just train the staff. It's either that or you throw it out."

The cooking fats costs $10 to have hauled away each time he fills a 50-gallon barrel. In southern California, oil reprocessors still pay restaurateurs for their oil; but not so in the northern half of the state, where there is less demand.

Of San Francisco's 4,000 restaurants, 400 currently participate in the program, reports Deb Kaufman, San Francisco's recycling program coordinator. That comes to 350 to 400 tons of glass each month. She cites two reasons for the relatively low rate of participation: awareness and attitude. Her office has sent recycling inserts with its tax bills to correct the awareness problem. But the attitude problem can only be corrected by "a certain degree of environmental consciousness," she claims.

That consciousness is believed to be more prevalent west of the Rockies than east, and that is why CGRC set up the Phoenix Project in California. But the recent landfill crisis may be changing all that. Alpert reports that queries about the program have started coming from all over the country.

Taking action

All major cities now have haulers and recyclers who will collect the recyclables, and city recycling departments or centers that can refer inquirers to the right resource. But restaurateurs must take the first steps themselves.

—*Marty Westerman*

Marcia Hibsch Coppess is a freelance writer in Pasadena, California, who writes frequently for ***Restaurants USA.***

2. Recycling

The United States recycles only about 11 percent of its total waste stream, according to the Environmental Protection Agency. Most experts believe a reasonable recycling goal for this country is 25 percent. A number of states have instituted recycling laws to encourage residents and commerce to recycle more actively.

The primary barriers to recycling at a restaurant are convenience, sanitation and economy. Separating and storing recyclables for pickup takes time, planning and space. But the benefits to the environment, your public's perception of your restaurant and your bottom line (to the extent that recycling fees offset hauling or packaging costs) may be worth the investment.

PAPER
GARBAGE
PLASTIC

Chet England, group director of quality assurance and food safety at Burger King Corporation, reports that his chain is formulating a plan that will incorporate a number of approaches to the solid-waste dilemma.

"We will have a comprehensive nationwide program that addresses the solid-waste issue from several directions," he says. "But we haven't begun to recycle our materials because we are limited on what we can do with our food waste. Most cities have restraints on restaurants storing waste because of the sanitation issues.

"In addition, federal regulations prohibit us from using recycled materials where they may come in contact with food," England adds. "That means we can't use recycled paper, for instance, on our sandwiches."

Recycling efforts will succeed if a convenient economic incentive can be built into them, Harrington believes. "A market for the recyclable product must be available, and operators must be able to find a hauler. If they can't recover their costs and hopefully offset their garbage hauling fees, recycling won't pay and that will reduce voluntary participation."

McDonald's has begun several pilot recycling projects in Portland, Oregon, and in New York. In Portland, customers are being asked to separate their plastic refuse from food material. Although the program is less than two months old, the chain reports a positive response from Portlanders, who are known to be environmentally concerned. The New York project, specifically for plastic-foam containers, also is in its infancy but appears to be succeeding.

3. Waste-to-Energy Incineration

"Some say that incineration is *the* answer," says Harrington. But two problems face this approach: air pollution and toxic-waste disposal.

"Although waste-to-energy incinerators burn trash very efficiently and cleanly, there must be controls or we'll be trading a solid-waste solution for air pollution," Harrington says. "And when the burning is finished, there is an ash residue that must be buried in a landfill that is able to accept it."

England of Burger King favors cogeneration through incinerating refuse but is eager for more economical approaches. "Turning garbage into energy is a very attractive prospect," he says. "Unfortunately, the technology is available, but the capital costs of installing a waste-to-energy incinerator prevent individual franchisees from investing in them so far."

The additional issue that faces every mention of incineration is a response commonly referred to as the NIMBY syndrome, which stands for "Not In My Backyard." Although residents favor reducing the volume of garbage and providing additional energy, they balk at the thought of an incinerator marring their skyline. And visions of towering, outmoded incinerators spewing a cloud of black smoke cast fear into the hearts of every politician interested in reelection.

Incineration recaptures heat and, when designed properly, can divert energy to heat a restaurant, melt ice on sidewalks or even supplement heat at local schools and hospitals, Yastrow says. He reports that a few McDonald's restaurants have installed nonoffensive incinerators as a pilot program.

"People in the know think thermal-waste oxidizing, which burns extremely hot and clean, is a great part of the solution," he says. "Our tests show that the incinerators are burning innocuously and that there is no emission in the air or toxic ash being distributed."

McDonald's is exploring a second method of waste-to-energy, which is called refuse-derived fuel (RDF). In this process, trash is dried and converted into pellets, which industry can use as fuel in boiler furnaces in place of precious fossil fuels.

4. Minimal Landfilling

If Americans actively participated in responsible source reduction, recycling and incineration, contributions to landfills would be substantially reduced. The need for a "dump" will always be there, however. Civilization has always produced trash, and our landfills eventually provide space for parks, golf courses, storage and industrial complexes, and commercial buildings.

William Rathje, an anthropologist and director of The Garbage Project at the University of Arizona, writes in an upcoming article in the *Journal of*

Resource Management and Technology that he could not find a recently closed landfill in the San Francisco Bay area to excavate. Every landfill closed more than five years ago had already been covered by a productive civic or commercial enterprise.

Rathje further notes that our society's behavior is nothing new: Mexico City expands its size by building on closed landfills at a rate of 20 city blocks each year.

5. Public Education

The final solution left in the equation of solid-waste management is accurate and objective education of the public, government representatives and special-interest groups.

"We are actively participating in getting information out to the media, government and public," says Raber. "We feel that our best direction is to encourage individual operators to take more initiative and implement more solutions."

Mitchell echoes Rathje by noting, "We are not going to be covered up in waste; we'll just build on top of it. But we can help lessen our trash problem be reusing what we can and not overusing or wasting our resources."

Carl Karcher's is active in litter-abatement promotions in several cities where it does business. It sponsors litter pickup days that end with city-wide barbecues provided by the restaurant. Burger King is also addressing the litter problem.

"The public sees our containers in the gutter and believes that we are the biggest contributors to the landfill problem," England says. "We're getting this backlash because of the public's misperceptions, which are built on a mound of litter.

"Fast (food) feeders have a unique role with the youth of America," England adds. "Among us we employ nearly every kid in America. If we teach them responsible behavior while we have them under our wing, we can change a generation of litterers and overusers."

Every contribution helps

Perhaps you cannot fund your own incinerator, as McDonald's is doing, or afford to convert to a new packaging scheme. What can the small restaurateur or single operator contribute to the solid-waste solution? Plenty. Here are just a few of the efforts you can make:

▶Train your employees to eliminate unnecessary waste.

▶Carefully evalute your packaging for costly and environmentally irresponsible redundancies.

▶Sponsor recycling pickups or city cleanup days.

▶Monitor local city councils and legislators pondering solid-waste-management regulations and speak out against unfair or ineffective measures.

▶Participate in your local recycling program.

▶Volunteer your site as a collection location.

▶Join with other small operators to identify a hauler who will carry your recyclables to its disposal points.

▶Volunteer to head your city's litter task force.

▶Educate your local media about the true problems affecting solid waste.

"A multifaceted program followed voluntarily by the entire restaurant industry is the best solution to this problem," says Harrington. "Outright bans won't work, and just using one method won't really solve the problem. We have to combine the solutions to make a dent in the solid-waste problem. Everyone at all levels is needed to get the solution in place." ❑

What customers may want to know

As a restaurant operator, are you prepared to answer your customers' questions about your solutions to the nation's solid-waste crisis? Below are some of the most common questions raised by concerned consumers.

1. Why not just eliminate plastics from fast food packaging?
There are four good reasons to use plastic and polystyrene packaging in foodservice. The products offer sanitary benefits that can't be ignored. They are less expensive than other containers, which keeps food costs down. Polystyrene-foam containers retain a product's desired temperature better than most paperboard containers. Finally, plastics provide the convenience that fast food customers seek. (See accompanying article on plastics).

2. Aren't plastic-foam containers harmful to the environment?
No. Most foam foodservice products never used chlorofluorocarbons (CFCs), which can damage the earth's ozone layer. Since 1988, *no* foam foodservice products have been made with CFCs.

3. Shouldn't we use only biodegradable products?
We should make an effort to use biodegradable products when possible. But that isn't a total solution to the landfill problem. Landfills are often confused with compost piles. But items in a compost pile degrade rapidly because they are exposed to oxygen. Once refuse—biodegradable or not—is buried in a landfill, its degrading process slows dramatically and may even stop. The real solution to the landfill problem is to lessen the amount of material we bury by source reduction, incineration and recycling.

4. Can plastics be recycled?
Yes. Some can be incinerated to create a clean source of energy for industry, while other types are shredded for use in construction materials.

5. Why don't restaurants use recycled paper and plastic products to wrap their food?
During the recycling process many different items are combined to create a new product. Since there is no way to tell where recycled materials originated, federal health and safety laws prohibit restaurants from using recycled materials for most food-contact surfaces. Instead, recycled food packaging is used for nonfood purposes, such as videotapes and planter pots.

6. How much of the solid-waste stream is made up of fast food disposables?
Only about of one-third of one percent of the total solid-waste stream is fast food packaging of any kind. The great bulk of landfills is made up of paper—much of which could be recycled—and yard clippings, much of which could be used as compost.

MISGUIDED PANIC OVER PLASTICS

by Joan E. Herlong

Although plastics account for less than 10 percent of the solid-waste stream in the United States (versus 40 percent for paper) and less than one-quarter of one percent of foodservice packaging, the public perceives plastics to be a much greater threat to our country's mounting waste-management crisis. Many communities are proposing legislation to ban all use of polystyrene foam. Such legislation is based on misinformation.

Plastics—foam and rigid varieties—touch every aspect of our lives, to the point where we wonder how we ever managed without them. This is particularly true in the packaging and serving of foods.

Every boon has a bane, however. Although plastics are convenient, inexpensive and "disposable," plastics have become a symbol of our wasteful society and a source of increasing concern to both consumers and politicans. And the reason why is when plastics are discarded, they don't go away. "Disposable" is *not* the same as "biodegradable."

Joan Herlong is a freelance writer in Arlington, Virginia, who writes frequently for ***Restaurants USA.***

Good riddance to CFCs

The most commonly used plastic in the foodservice industry is probably the polystyrene foam of containers (popularly known by its Dow trademark, styrofoam). Polystyrene foam is used in cups, bowls, plates, cafeteria trays and clamshell containers. (Polystyrene not in foam form is often seen as the clear plastic clamshell containers often used at salad bars.) Polystyrene foam accounts for only 11 percent of all plastics packaging.

In the *past,* the manufacture of polystyrenes posed a real threat to the environment. The foaming agents, or chlorofluorocarbons (CFCs), used in the manufacturing process were discovered to deplete the earth's protective ozone layer.

When the damage was reported, U.S. polystyrene producers reached a voluntary agreement with environmental organizations to phase out

CFCs by the end of 1988—the first industry in the world to do so. Now, polystyrenes are made with a new, EPA-approved foaming agent called HCFC-22, which, although not a panacea, is reportedly 95 percent less threatening to the ozone layer than were CFCs. This quick action and near-unanimous compliance received international kudos. Last October, a conference of the United Nations Environment Program at The Hague recognized the U.S. foam packaging industry for its quick action in phasing out CFCs, as well as for the example it has set for other industries.

According to Nancy Sherman, vice president for public affairs for the Foodservice & Packaging Institute (FPI) in Washington DC, "Ninety-nine percent of polystyrene manufacturers are out of CFCs. A small number of companies are still working out some technical difficulties, but we expect the industry to be completely CFC-free in the near future."

Are plastics "good litter"?

Although polystyrene manufacturing is now a much safer process, polystyrenes are still in the news because they are not biodegradable. The issue of "good" (biodegradable) waste versus "bad" (nonbiodegradable or inert), however, is hardly clear-cut.

According to John Tierney, a spokesman for the Polystyrene Packaging Council in Washington DC, "Degradability is a bit overrated. It's also a relative thing. Using paper goods instead of plastics is not necessarily more environmentally sound."

Sherman of FPI concurs with Tierney's assessment, but cautions against labels. "There is no such thing as 'good litter' or 'bad litter,'" explains Sherman. "*All* litter needs to be managed and reduced. The key thing is manageability."

Contrary to popular perceptions, manufacturers maintain that polystyrenes play a positive role as components of landfill materials. As Tierney explains, "Polystyrenes are inert, so they contribute to landfill stabilization."

The recycling route

Recycling seems to be the one option that consumers, environmentalists and industry can agree upon. Plastics are among the products easiest to reclaim for reuse, and the plastics industry is backing recycling efforts. "Plastics can and are being recycled," says Tierney. "The technical capabilities are all there; economics are the major stumbling block at this point."

Processes have already been developed to recycle mixed plastics, such as soft-drink bottles and milk jugs, but they must be separated. At one plant in Leominster, Massachusetts, foam products such as coffee cups and hamburger trays are being turned into nonfood products like flowerpots, coat hangers and fence posts. "I predict that the plastic-bashing that's going on today will stop and polystyrene will become an environmental hero," Robert J. Barrett, safety environmental officer of Mobil Chemical Co., told the Associated Press.

The difficulty in recycling foodservice packaging is collection. To facilitate the growth of recycling, seven polystyrene manufacturers recently announced a $14 million plan to form the National Polystyrene Recycling Company (NPRC). By establishing five regional recycling facilities over the next year, the company's primary purpose is to develop a nationwide infrastructure for economical polystyrene recycling.

NPRC's initial goal is to recycle 25 percent of all disposable polystyrene products by 1995, which is more than the current 11 percent rate for all recycling in the United States.

Plans call for locally based operators—including polystyrene manufacturers and recycling companies already handling paper, glass and aluminum—to run the five regional recycling plants. NPRC hopes to work closely with restaurants, school systems and other major users of polystyrene packaging to encourage onsite separation of polystyrene waste.

The incineration option

Although recycling will take care of a growing amount of our solid waste, even the most ambitious recycling programs will not be able to reclaim 100 percent of our solid trash (Japan recycles about 65 percent of its trash—one of the best rates in the world). The balance of our trash can be burned, providing electricity or energy. Waste-to-energy-incinerators reduce the overall volume of unrecycled trash by as much as 90 percent.

Polystyrene foam products can be safely incinerated. When completely combusted, polystyrene gives off carbon dioxide, water and trace levels of ash—the same products as paper. And the residue is a fraction of that from mixed solid waste. (A hundred pounds of polystyrene foam leaves .01 pound ash residue, versus 25 pounds for mixed waste.)

What restaurants are doing

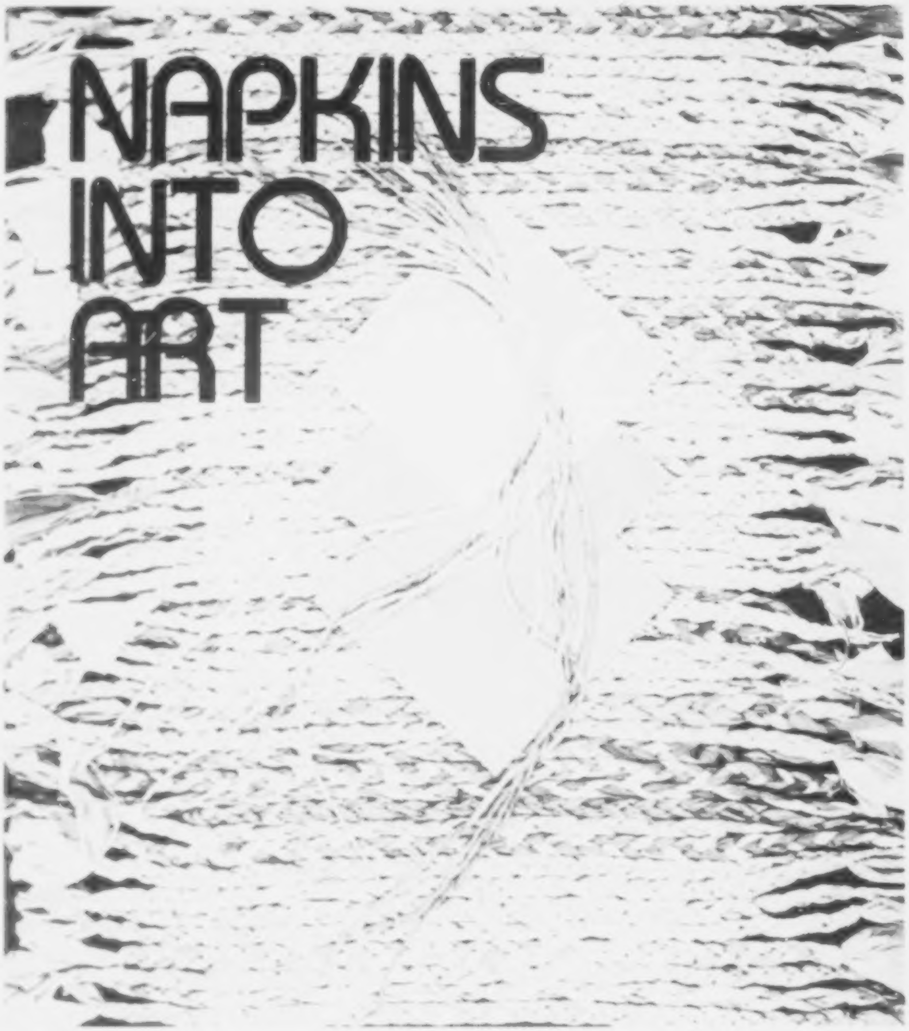
Individual restaurants and chains are doing their part in making progress with plastic-waste management. Wendy's International was the first national chain to announce its removal of foam containers manufactured with CFCs, four months ahead of the agreed-upon deadline of January 1989.

Wendy's also switched from foam sandwich containers to biodegradable paper. The chain continues to use "CFC-free" foam coffee cups and salad-bar plates, but has asked its suppliers to explore recycling options for all the foam products used in its restaurants. Says Denny Lynch, vice president of communications for Wendy's, "These steps are taken by a responsible company that is concerned about the environment."

Rather than switching to paper products, McDonald's is pursuing recycling as the answer to the waste problem. Linda Fontana, media-relations manager for McDonald's, says "Polystyrene packaging is the best available for our products. It is sanitary, portable and cold/heat insulating."

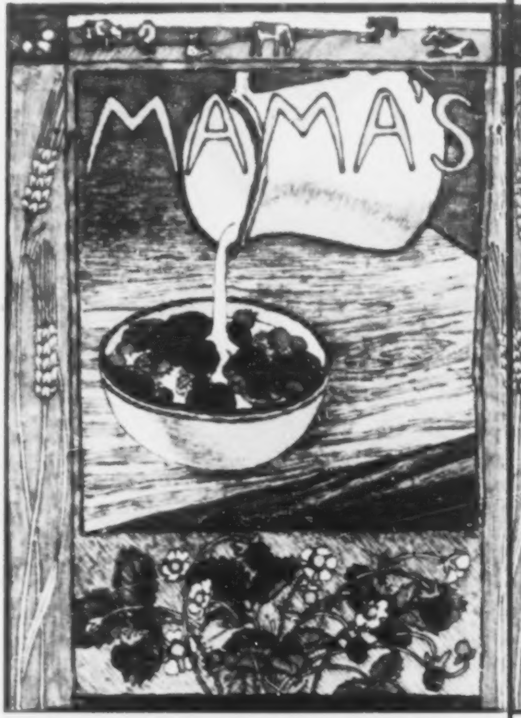
In conjunction with Rubbermaid Commercial Products and Amoco, McDonald's is currently involved in two pilot projects in Brooklyn and Nassau County, New York, for recycling foam polystyrene materials into foodservice trays and housing insulation. Twenty restaurants are sending all of their consumer wastes to a central recycling facility for separation and processing. ❑

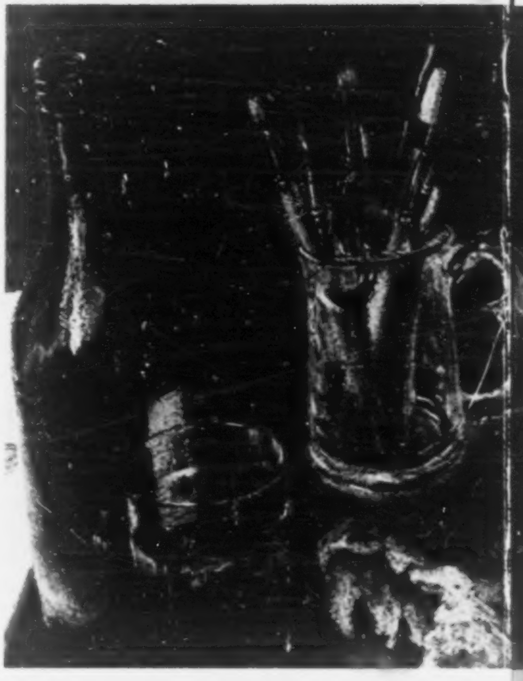
NAPKINS INTO ART



by Julie Fintel

Paper napkins are predestined to be used once, then thrown away. But a few have a higher calling.



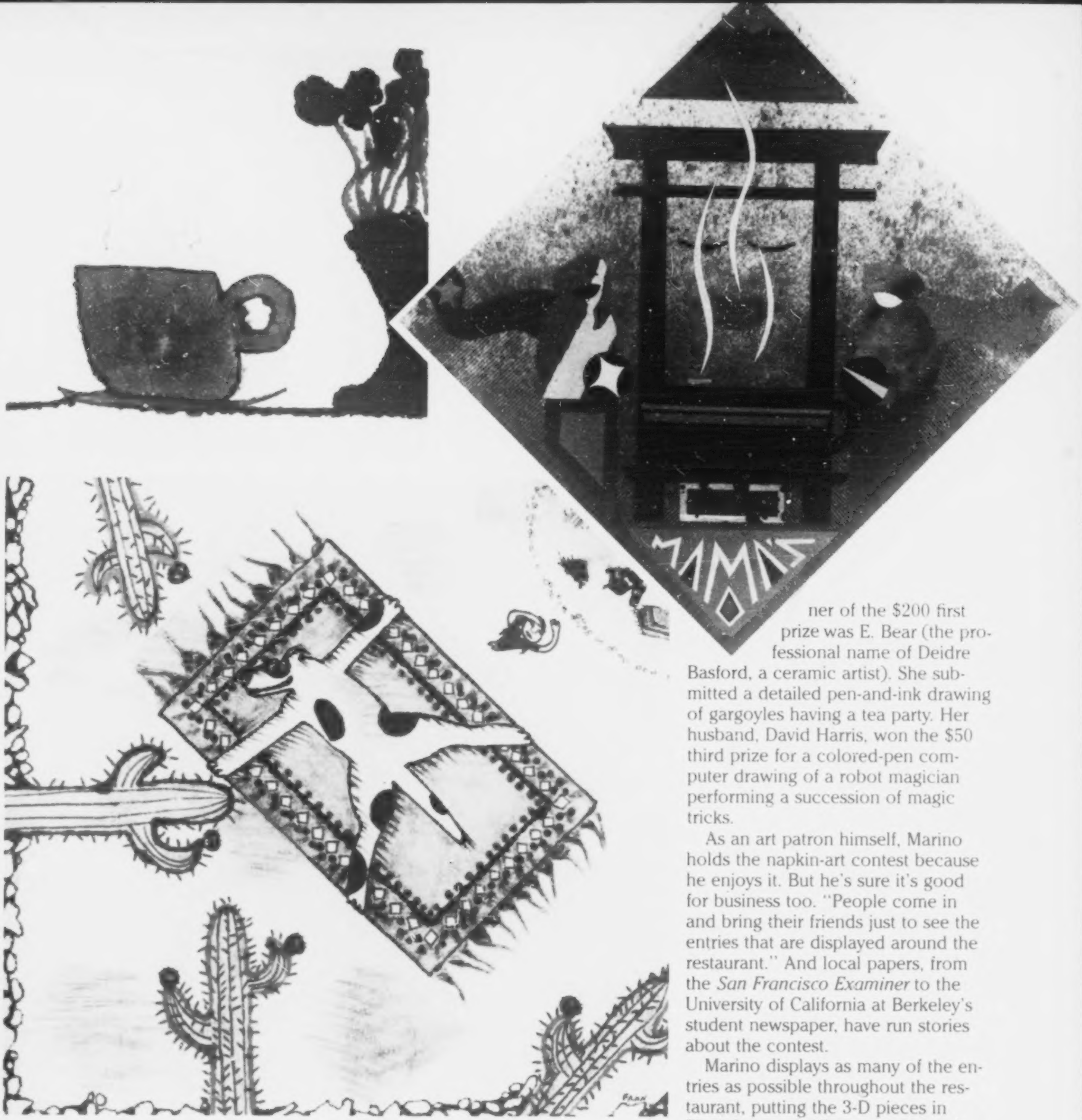


There's a creative kind of recycling taking place in Oakland, California. But it has more to do with the world of art than practical reuse. The focus is the unlikely paper napkin—saved from the food-smeared lips and chins of diners and transformed into an artistic vision. Each year these disposables-turned-collectibles are entered into the napkin-art contest sponsored by Mama's Royal Cafe.

George Marino, owner of the popular 100-seat cafe, got the idea for the contest seven years ago. His patrons, like patrons everywhere, often doodled on the paper napkins while waiting for an order to arrive. But since the restaurant is in an area where artists abound—the California College of Arts and Crafts plus the state university at Berkeley are in the neighborhood—the doodles were often too good to throw away. So Marino decided to give his talented doodlers even more incentive to be creative by sponsoring a napkin-art contest, complete with cash prizes going to the best three entries and breakfast certificates to 30 honorable mentions. There is even a category for children. Five youngsters under the age of 12 each receive a $10 prize.

Entries are submitted from January 1 through March 31—mainly from the Bay Area, but some come from as far away as Iowa and even New York. On April 15, three judges—always local artists and often regular customers as well—size up the more than 300 entries and name the winners. Word of the contest gets out by flyers passed to customers in the cafe and distributed to local businesses, friends and neighbors. Marino also places a classified advertisement in *Art News*, a national art magazine. "It is the only advertising of any sort that the restaurant does," explains Marino, who believes the results are well worth the minimal cost.

Julie Fintel is a regular contributor to ***Restaurants USA.***



The contest rules are nondiscriminatory. Any napkin will do—no particulars about color, size or weight, but paper towels are out. "Some do try to sneak in paper towels," reports manager Mary Stone, and it is no wonder, since the fragile napkin smudges, tears, wrinkles and bleeds.

But the difficulties pose a seductive challenge for artists whose mediums range from crayons to papier mache. "You wouldn't believe what some of the contestants come up with," says Stone. "For example, among this year's 300 entries was a mask one artist had molded to her face and then trimmed with different colors of cellophane paper."

The panel of three judges didn't award the mask's creator one of the top three prizes, but another three-dimensional entry, submitted by Wendy Karner, won the $100 second prize; it was a green dinosaur coming out of an egg. This year's first and third prizes went to the same family. Winner of the $200 first prize was E. Bear (the professional name of Deidre Basford, a ceramic artist). She submitted a detailed pen-and-ink drawing of gargoyles having a tea party. Her husband, David Harris, won the $50 third prize for a colored-pen computer drawing of a robot magician performing a succession of magic tricks.

As an art patron himself, Marino holds the napkin-art contest because he enjoys it. But he's sure it's good for business too. "People come in and bring their friends just to see the entries that are displayed around the restaurant." And local papers, from the *San Francisco Examiner* to the University of California at Berkeley's student newspaper, have run stories about the contest.

Marino displays as many of the entries as possible throughout the restaurant, putting the 3-D pieces in Plexiglas cases. The previous year's entries are packed in cardboard boxes and stored in Marino's garage. There are now about 2,000 pieces of napkin art in the garage, and Marino is still puzzling over what to do with them. "They don't deteriorate," he says. And he can't bear to throw them away, not only because he admires them, but also because they may be valuable some day. "The people in those first contests—they may be famous now, who knows?" he wonders. ☐

About Creepy, Crawly, Squirmy Things

And How to Keep Them Out

There is no single "miracle weapon" to control pests. Integrated pest management is the most effective approach, and pest-control prevention is the important first step.

by Gary M. Stern

Endearing and cute, Mickey Mouse has, for more than 50 years, symbolized how lovable animals can be. Mickey Mouse is so loved by children and adults that his figure adorns T-shirts, sweaters, watches, dolls and other paraphernalia produced by the multi-million dollar Walt Disney World empire. And why not? Mickey is innocent, sensitive, genial and spunky; and if Walt Disney and his movie studio had their way, he'd be every community's mascot.

But unfortunately, Mickey Mouse is fictitious. And his "real life" counterpart is not anywhere near as lovable as the animated version would lead you to believe. If you own or manage a restaurant and want to keep it clean, healthy and in compliance with the law and health regulations, you'll have to rid your eatery of four restaurant enemies that can bring filth and dirt into a kitchen. And mice—not the Mickey on the screen but the rodent that sniffs, scurries and sneaks—are in the same category as cockroaches, rats and flies.

These small but mighty creatures contaminate food, destroy a kitchen's cleanliness, arouse the wrath of health inspectors and eventually lead to a restaurant being fined and, in worst-case scenarios, closed. That is why preventive pest control is important.

A little animal psychology

To prevent rodents and insects from infiltrating your restaurant, you'll need to apply a little animal psychology. Understanding what draws animals to your restaurant and where they like to live is the first step in ensuring that you never have to see a mouse dart out from under a table, a cockroach quickly crawl when a light goes on, a rat hover in a corner, or a fly lazily meander into your kitchen.

Cockroaches—Enemy #1. According to most pest-control experts, cockroaches are enemy number one.

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*Gary Stern is a freelance writer in New York City who writes frequently for **Restaurants USA.***

What makes the cockroach such a formidable foe is its rapid reproductive rate and its adaptability to many kinds of insecticide. In fact, a restaurant can be treated one day, eliminating the dreaded bug; but if one cockroach reenters the eatery, the reproductive process can start all over again the next day, and the squirmy hordes will return.

Because they avoid light, cockroaches are, for the most part, nocturnal. George Rambo, director of research, education and technology at the National Pest Control Association, asserts that if you walk into your restaurant in the morning and see a horde of cockroaches, you undoubtedly have a major outbreak of these insects.

"Cockroaches will feed on anything that man feeds on and a lot of things he won't," says Doug Mampe, who runs DM Associates, a New Jersey-based consulting firm specializing in pest control. In addition to food, cockroaches will dine on grease deposits around a stove and dishwasher, paste from wallpaper and almost anything organic, including garbage. Like humans, cockroaches have their own preferences, which include foods with high sugar content (Oh, that sweet tooth!), and fermented drinks.

Cockroaches like to live in spaces approximately one-eighth of an inch to three-sixteenths of an inch wide—the width of a kitchen knife. The smallest crevice behind a stove or wallpaper can house a family of these creatures, and you can find them behind baseboards, windows and door frames; between cabinets and walls; and (alas) underneath booth seats.

Mice and rats—Enemies #2 and #3. Of these two public health enemies, mice in particular, reproduce rapidly (though not in the abundance of cockroaches), and they will typically have four to six litters per year. After only 90 days, a female mouse is ready to reproduce. Therefore, one pregnant female in a year can generate several hundred mice by year's end if no control measures are taken. Although mice and rats prefer fresh food to leftovers, George Rambo says they will eat the same things that we do, and eat many things we don't—like garbage. New York City health inspector Gene Miskin notes that mice also like flour, sugar and rice left on the floor, which is one reason why most city health codes require that all food in storage areas be kept at a minimum of six inches above the floor. Both mice and rats are nocturnal: Their activities begin at sunset, continue through the night, and end at daybreak when they seek seclusion.

There are differences between these two rodents, however. Whereas mice are curious, rats are cautious. That's why mice can be trapped, and rats, most often, cannot. Experts report that mice can be trapped in glueboards or repeating traps (in which the mice flip over into another compartment), because they love to investigate. Rats, however, have a sixth sense about their environment. If they spot something new, they'll avoid it for days. And because their sight is limited, they rarely run in the open, walking instead along the walls as they feel their way.

Most mice can enter a restaurant by squeezing into an opening a quarter-of-an-inch wide. Many mice sneak in with packaged material or in cardboard cartons, where they may have set up their own "housekeeping." The season to be especially cautious of mouse invaders is fall, when the temperature starts dropping and mice look for warmth.

Because of their larger size, rats are not brought into restaurants through incoming goods. Most rats come in from the outside through the subfloor, basements, uncapped sewer lines, holes in the foundations and openings in basement floors made for utility lines. But, be wary. Rats can enter through a hole in the roof as well; so make sure all openings are shut tight. Contrary to their image, rats are not loners. They are social animals who live in colonies with their own social structure. Most exterminators consider rats to be more intelligent than mice.

Despite their ingenuity and strength, however, rats are fearful of people and tend to enter restaurants only when they have been shut for vacations or holidays. If you're closing your restaurant for three weeks or more, make sure all crevices are sealed, pipes are intact and any underground passage is sealed tight. Since rats have strong jaws and sharp teeth, they can eat their way through wood, lead, unsettled cement and cinder blocks. But as soon as they hear people, most rats will stop gnawing and abscond.

Flies—Enemy #4. Flies are pesky. Keeping flies out of a kitchen or building is no easy task. They love odors. When the temperature starts rising in spring and summer, unsuspecting cooks open doors, and practically invite the entire local fly population to overrun their kitchens. To prevent flies from having easy access, keep screens on all windows.

Understanding what draws animals to your restaurant and where they like to live is the first step in ensuring that you never have to see a mouse dart out from under a table, a cockroach quickly crawl when a light goes on, a rat hover in a corner, or a fly lazily meander into your kitchen.

Tips for keeping out pests

"You have to be an animal psychologist and know their habits to keep them out of your restaurant," says Rambo about insects and rodents that inhabit restaurants. Hiring an exterminator once a month to perform a superficial spraying will not prevent insects and rodents from reentering your establishment.

If rodents and insects are so pesky, inventive and persistent, how can restaurateurs keep them from entering their restaurants and mutiplying? The key, says Richard Vergili, the education department chairman and teacher of foodservice sanitation at the Culinary Institute of America in Hyde Park, New York, is "integrated pest management rooted in prevention." Here are some suggestions from leading experts on how to insure that no rodent or insect enters your premises:

☐ Make sure your building is pest-proof. Perform your own structural analysis (or call in an expert). See that there are no obvious openings. Examine any decorative panels over a wall, especially if there is a quarter-of-an-inch of space between them and wood. These niches can be cozy nests for cockroaches. Make sure all panels are tightly connected to the wall. If you find any holes, cracks or crevices, inject an EPA-registered insecticide into them and seal them.

☐ Ensure that the exterior surroundings are as clean as can be.

☐ Avoid any loose drains in the restaurants through which rats can enter. And cap all sewer lines.

☐ Have properly self-closing doors that fit snugly and that have metal shields to seal any openings. Make sure windows are all properly screened and that the foundation is tight.

☐ Do not place the dumpster by the back door, which will attract flies and rodents to enter the nearby kitchen. Keep the dumpster on an asphalt or concrete pad far away from the kitchen door, and make sure it is clean and sprayed with a pesticide approved by the EPA for foodservice use.

☐ To prevent flies from entering, make sure you have a tight-fitting screen door. Another option is to place an air door or air curtain—a fan that pushes flies back out—above the door. Make sure your doors swing outward; this diminishes the chances of flies entering.

If the exterminator sets a price, enters your restaurant, sprays in corners and leaves, without consulting you, your pest problem is not likely to be solved.

Getting rid of pests once they get in

If mouse or rat droppings are found or if cockroaches are sighted, you can either try to eliminate the rodents on your own or hire a pest-control operator. According to Jim Brown, director of technical services for the National Restaurant Association, "Frankly you're better off going to a professional exterminator because of the time and difficulty involved in solving these problems."

To eliminate cockroaches, professional exterminators are using boric-acid dust and boric-acid paste, which can be placed into crevices and under cabinets. Boric acid is slow-acting, taking several days to work. As roaches walk through it, they pick up dust, which gradually kills them. George Rambo of the National Pest Control Association reminds owners that products like boric acid can't be placed just anywhere or in the middle of a room. "You have to put it where roaches are," he says, "in cracks and crevices and behind equipment."

Rambo advises that restaurateurs not use pesticides and other chemical compounds but leave those to professional exterminators.

Caution: If you decide to apply pesticides or insecticides yourself, make sure that you keep them far away from your food supply, to prevent contamination. Time applications to come after cleaning procedures.

How do you choose a pest-control operator?

References and word-of-mouth recommendations from other restaurateurs are your best bets for choosing an exterminator. Contact your local health department for references, because some pest-control operators have been found to use improper methods, such as illegal insecticides, which have contributed to contaminating food.

Before you select a pest-control operator, ask several candidates if they are licensed and bonded, how often they plan to treat your operation and whether they perform secondary inspection. "You are buying more than a few ounces of chemicals," cautions Jim Brown. "You are buying expertise in the biology of the animal and this knowledge should be reflected in the services provided."

Be sure to sign a contract stipulating exactly what you will get for your money and whether there is any guarantee of pest elimination. Optimally, the pest-control operator will devise a program to rid your establishment of insects or rodents. If the exterminator sets a price, enters your restaurant, sprays in corners and leaves, without consulting you, your pest problem is not likely to be solved. An effective pest-control program will consist of several steps—inspection, determining the problem, a report taking care of sanitation and treatment, and regular follow-up inspections, which can range from once to three times a month (or more), depending upon the problem's severity and the restaurant's size. Solving the pest problem will cost money. Prices can range from $25 a month for a very small restaurant to hundreds of dollars a month for a multirestaurant complex like the Plaza Hotel in New York City.

There is a solution

Can every insect and rodent problem be solved? Consultant Doug Mampe asserts, "I've never seen a problem you can't deal with, assuming that the restaurateur is willing to do his part, including sealing all openings. We have failures in control if we don't get cooperation or a technician is not doing his job properly." ❑

Shooters
SAMSEL

Reclaimed Waterways

As America's cities look inward for inspiration and recreation, old waterways have become prime sites for restaurants seeking a rich visual setting.

There was a time when a city's waterway was the gateway to the outside world and the site of the town's most important businesses. But urban sprawl, interstate highways and air travel for a time lessened the importance of U.S. waterways. In a recent shift, waterways are once again being looked at as aesthetically inviting places near which to do business. Increased interest in inner-city living has increased demand for urban recreational opportunities, and new tax laws favoring adaptive reuse of historic preservation have added an economic incentive. It is no wonder, then, that restaurateurs are standing in line to capitalize on the charm of reclaimed waterways.

First breakthrough: Faneuil Hall

One of the first signs that waterfronts were on their way back came in the mid-1970s when James W. Rouse (who runs a Maryland-based non-profit company that builds waterfront developments with both public and private money) renovated Faneuil Hall, an 18th-century meeting place a block from Boston Harbor. The marketplace attracted 10 million people its first year. Many observers believe Boston was a "natural" for this type of project. "Boston is seafood and water," observes Steven Miller, general partner of Boston's Cherrystone's Restaurant, which overlooks a 75-boat marina in Boston Harbor. "We do a good business because Boston is a strong tourist and business travel town."

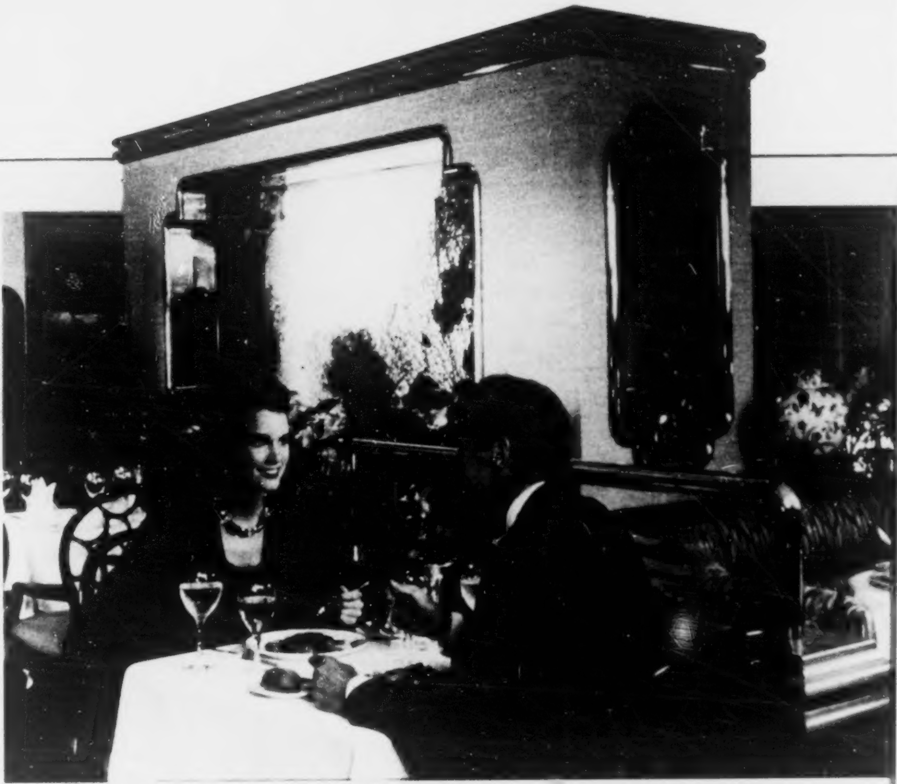
But Rouse did not stop with Boston. Having established his reputation with Faneuil Hall, Rouse won the right to develop Baltimore's harbor. Where once there was a seedy area of old warehouses and decaying docks, today there is Harborplace, a colorful, clean, festive promenade on the water, with two pavilions housing restaurants and shops. One of the pavilions contains almost all fast food stands offering ethnic foods from Baltimore's neighborhoods. Munchers have the option of eating at tables inside the pavilion or finding a vantage point outside where they can enjoy the view as they dine. Of course, fullservice restaurants are part of Harborplace, too.

So successful has Harborplace been that restaurants are opening on its periphery to take advantage of the crowds that flock there.

One restaurant in the neighborhood of Harborplace is Harrison's Pier 5 Eastern Shore Restaurant, part of a 71-room hotel built on an unused pier. The Harrisons, who have run an inn on Tilghman Island in Chesapeake Bay for many years, had the foresight to put in their bid for the site four years ago. The hotel offers waterfront dining not only in its two bars and dining room, but also on two boats moored outside, where shellfish is sold to diners to enjoy at picnic tables shaded by awnings.

The water beckons everywhere

Just as coastal cities did before them, communities inland are discovering the civic and commercial potential of their waterfronts. Dining at the water's edge continues to have a magical allure. Underused docksides and abandoned industrial sites are being transformed into marinas, parks, hotels and retail malls that are bringing people back downtown. In Chicago, restaurateur Dan Rosenthal has recreated a Carolina crabhouse in an old warehouse in the North Pier complex on the Chicago River. "It's the hottest site in Chicago," says Rosenthal of the block-long building that houses nine other restaurants. In Buffalo, Shooters International Inc., whose specialty is waterfront restaurants, has just opened a place on Lake Erie. "Buffalo's waterfront was



AQUARIUMS: A WATERY WORLD

How can a restaurant not on the water bring the soothing atmosphere of the sea or the quiet meandering of fish to customers? The answer may be an aquarium.

Unique is the right word to use when describing the bar at Out Takes in Chicago; its top half is an aquarium. The 50-foot-long bar was conceived and constructed by Ken Smith and Ira Sapir, owners of the restaurant, with the help of an aquarium expert.

Built into a large "L" shape, the bar at Out Takes is divided into two separate tanks. The larger section is a 600-gallon saltwater tank. The smaller part is a 500-gallon freshwater tank. In both tanks, colorful glass cameras and tubes provide a playground for the many fish that swim before the eyes and below the drinks of customers. A small aquarium tank has been added in the seating area at Out Takes for more exotic fish and to continue the water theme.

According to Out Takes manager Frank Mylander, what started as an attempt "to be different" has been successful for making Out Takes a bar that people tell their friends about. Mylander said many customers just refer to Out Takes as "the aquarium bar."

The bar at Out Takes is serviced regularly by a Chicago-based company called Aquariums by Design. Although the company didn't build the bar, it does maintain it and supplies fish, food and regular cleaning. Mylander said the filtration system in the tank is just like the systems in small tanks, only bigger. Filtration systems can get very complex, however. But the simpler the system, the less likely it is to break down and the easier it is to care for.

Aquatic design

At Nick's Fish Market in Rosemont, Illinois, owner Nick Nicholas wanted to present "living art" that went along with the seafood cuisine of the restaurant. So he had three 5-by-6-foot aquariums installed. Each holds 450 gallons of water, and each is decorated to resemble an actual slice of the ocean floor. Liz Sharp, manager of Aquariums by Design, the company that designed and constructed the aquariums at Nick's, said the tank decorations are similar to actual living coral reefs.

Two of the huge tanks serve as dividers

between different dining areas of this dimly lit seafood restaurant. The third tank is situated along a wall.

Sights, sounds of the sea

At Pearls restaurant in Woodland Hills, California, the huge 7-by-18-foot saltwater tank serves as a centerpiece of the restaurant, which features traditional seafood dishes with "a touch of the Orient." The restaurant decor reflects the cuisine. The carved wooden chair backs in the restaurant echo the delicate shapes of coral in the aquarium. Above the aquarium, suspended from the ceiling, are a number of Asian umbrellas.

The aquarium at Pearls serves a dual purpose—not only does it add to the ambience, but it also provides some of the light in the restaurant. During dinner, the gentle ebb and flow of tropical fish, including angelfish and lionfish, is punctuated by a harpist playing soothing sounds evoking water.

According to David Iwata, director of marketing for the Woodland Hills Marriott, where Pearls is located, fish are chosen for the aquarium on the basis of their aesthetic value and can range in cost from $10 to thousands of dollars, depending on the species. Fish are extremely sensitive to temperature, and, according to Mike Kozer, president of the Ruet Company in Lodi, New Jersey, they sometimes require that a tank be chilled, due to the heat generated in many restaurants.

Pearls' aquarium was installed when the restaurant opened and has been such a success that a smaller tank has since been installed in the bar.

Selling points

Restaurateurs and aquarium specialists both agree that an aquarium can make a restaurant an extra-special place. They say one of the major advantages of an aquarium is that it can put customers in a tranquil mood, especially when they are waiting to be seated. And it can make people stay longer. One aquarium manufacturer said he had heard of a bar with an aquarium where regular customers had given names to individual fish.

Most important, however, aquariums can heighten the mood of a restaurant by providing an increased sensual experience for customers—one that gives them something extra to remember a restaurant by.

—Dan Marx

not developed at all," says Jan Idelman, vice president of public relations. "We were the first in the area, but people are coming, and they tell us, 'We haven't been to the waterfront in years.' "

One of the most notable transformations occurred on the Cuyahoga River in Cleveland, in an area called the Flats. In 1969 the Cuyahoga caught fire, a result of oil and trash dumped into the waters by local mills. This gave birth to the Environmental Protection Agency (EPA), which forced the steel companies and sewage plants to clean up their trash. With the cleaner water came a new vitality to the Flats, which attracted restaurants. Shooters was among them. Today the Flats is a booming area.

Shooters in Buffalo and Cleveland are two of six operations belonging to the Fort Lauderdale-based franchise company of the same name. The first restaurant was built on Fort Lauderdale's inland waterway, where boaters could tie up and enter a restaurant in casual clothes. After seeing the popularity of its first operation, Shooters decided to build on waterways elsewhere. All of its restaurants include docks where boats are carefully taken care of, a valet for restaurant-to-boat service, a swimming pool, sun decks and a patio bar as well as indoor and outdoor dining. As with most restaurants on the water, Shooters restaurants have as much glass on the waterside as possible.

Many observers believe the water has a calming effect and its own attractions, such as passing boats, jumping fish and breathtaking vistas. "It's an interesting picture because it changes every three months," says Jeremiah Fain, who owns Harborside Lobstermania in East Greenwich, Rhode Island. "You feel as if you're outside," says Ray Martell, general manager of Milwaukee's lakefront restaurant, Pieces of Eight on Lake Michigan.

A seasonal business

Despite the lure of the water, all waterfront operators acknowledge that business can be seasonal. Jeremiah Fain lays off workers—mainly cooks—in the winter. "Although we do well in the winter," he says, "when it's cold and lousy, people stay away from the water." On southern waters, hurricanes are the enemy. "We close the business down, tape windows and evacuate almost every year," reports Gary Young, owner of Barts on the Lake, in New Orleans. But the neighboring Morton's Seafood Restaurant, 28 miles to the north, waits until winds kick up to 125 miles an hour before closing. "I'm more worried about being bit by a crawfish than being hit by a hurricane," says part owner Walter Hammet.

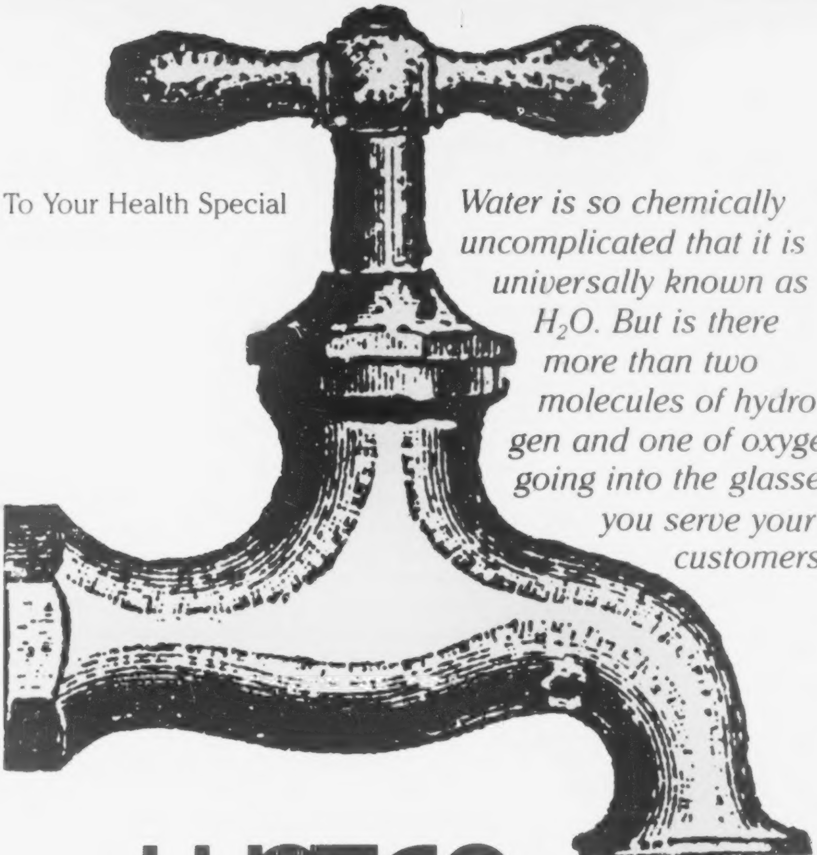
Even on the West Coast, with its generally mild climate, a storm can cause a dent in business. Bob Morris, president of Gladstone's 4 Fish in Pacific Palisades, California, has the good fortune to be located in an area that boasts 220 weather-perfect days a year. There are some bad-weather days, however. On one occasion water crashed into the restaurant, causing $500,000 of damage. "In the winter, when it's storming and the waves are over your head, there's no use being open," says Morris. "There aren't that many guests on the highway."

To combat the falloff in business in the colder months, waterfront restaurateurs do what other restaurateurs do to lure in customers in the off-season—they have promotions. At Faneuil Hall and Harborplace, for example, Christmas festivals bring the crowds in December. Shooters has a special Sunday brunch, with prices starting at $4.95. And Gladstone's offers a special on foggy days, *cioppino*, an Italian fish stew.

The weather along bodies of water has other disadvantages besides discouraging customers. As any boat owner knows, metal corrodes, paint peels and wood rots along the water all at a faster rate than inland. Thus maintenance can be a big expense.

But an occasional bout with bad weather and the increased costs of maintenance are not enough to discourage waterfront restaurants from adding the age-old romance of the water to their dining experience. As urban planner James W. Rouse points out, "Water has mystery; it holds magic in its color and movement and [therefore] has great human appeal." ☐

To Your Health Special



Water is so chemically uncomplicated that it is universally known as H_2O. But is there more than two molecules of hydrogen and one of oxygen going into the glasses you serve your customers?

WATER

More than H_2O

So essential to life, water is a readily available resource, but it is one that is too often taken for granted. Thanks to modern purification techniques, waterborne outbreaks of diseases like typhoid, dysentery and cholera have been virtually eliminated in 20th-century America, but the municipal water supplies are not without problems.

Water can become contaminated by both chemicals and microorganisms. Pollutants can be discharged directly into the water supply, such as a pipe that pours waste into a river. Or water may become contaminated indirectly as a result of such day-to-day activities as farming, construction, landfill leaching, mining and manufacturing. Sometimes chemical pollutants in water naturally dissipate, such as those that are absorbed by the bed of a flowing river or ones that are destroyed by organisms in the water. But nature cannot purify water that has received large doses of toxic chemicals. Insecticides, herbicides, fertilizers and dyes as well as compounds of petroleum, mercury or arsenic are potentially toxic to humans and fish. Although most of these chemicals are harmless in small amounts, the metals they contain are not metabolized and can accumulate in tissues to toxic levels. Mercury, cadmium and lead are some examples.

In addition, disease-causing organisms can thrive in water and transmit infectious diseases. Although widespread outbreaks of waterborne diseases are uncommon in the United States, the number of waterborne disease occurrences has been increasing over the last 30 years. Experts speculate that this may be due to more efficient reporting systems, but biologic contamination does occur more often in smaller water systems where filtering and disinfecting can be inadequate.

How safe is drinking water?

Most water available for drinking is unfit for consumption before it is treated. Until the 1970s individual states were solely responsible for the regulation of public water supplies. Limitations in staffing and funding re-

Lead and chlorine

Lead contamination has received a fair share of attention recently because it is potentially devastating to the body. Lead can raise blood pressure in adults, cause premature births and damage the nervous systems of infants and children. Lead from pipes or lead solder can leach into the water that runs through the pipes, contaminating the water after it has been purified. The amount of lead picked up depends on the temperature and acidity of the water. Hot water and water of low pH (acidic) leach more lead from pipes than do cold water and more alkaline water. A 1986 amendment to the Safe Drinking Water Act prohibits the use of lead pipes, solder and fluxes for drinking water. States carry out the ban through local plumbing codes. But buildings and plumbing constructed prior to the amendment are potential sources of lead contamination.

Ironically, one source of water contamination is a result of the purification process—the addition of chlorine. As a disinfectant, chlorine destroys disease-causing microorganisms, and its residue—which can be tasted in the water in some cities—inhibits bacterial growth that might contaminate the water after it leaves the purification plant.

The bad news is that chlorine can react with other substances that may be in the water to form chlorinated hydrocarbons, which are potential carcinogens. A study by the National Cancer Institute positively correlated the risk of developing bladder cancer with increased consumption of beverages made with chlorinated surface water. But public-health officials agree that the benefits of chlorinated drinking water far exceed the potential cancer risks. In an effort to reduce the amount of chlorinated hydrocarbons, the Safe Drinking Water Act has set a maximum contamination level for these compounds. And municipalities are urged to install carbon filters to reduce the level of chlorinated hydrocarbons.

sulted in poor surveillance and substandard water quality. In 1974 Congress enacted the Safe Drinking Water Act, which authorized the federal government to establish national regulations for drinking water. Under the act, the Environmental Protection Agency (EPA) sets standards, conducts studies and research, and oversees implementation of the act, while state governments have primary responsibility for implementation and enforcement of the act's provisions.

Despite governmental regulations, the purity of our drinking water is not absolute. Although 90 percent of the community water systems comply with EPA criteria for microbiological standards, the 10 percent not in compliance represents more than 5,800 water systems that could be delivering unsafe water. The American Water Works Association also cites problems with monitoring and reporting activities; almost 25 percent of the community water systems fall short in these activities, which means that the microbiological quality of the water is unknown.

Environmental groups are less conservative in their estimates of noncompliance with the Safe Drinking Water Act. The National Wildlife Federation reports that in 1987 more than 36,000 public water systems committed some 101,000 violations of the Safe Drinking Water Act. The EPA has developed enforceable limits for fewer than 100 contaminants, but drinking water could conceivably contain almost 1,000 pollutants. As EPA identifies additional contaminants to be regulated, an increased number of violations are anticipated.

Groundwater has its own potential problems

Groundwater safety also deserves attention. In contrast to surface water, which comes from lakes, rivers and streams, groundwater originates from below the earth's surface, accounting for slightly less than half of the public drinking-water supply. Groundwater may be subjected to pollutants from landfills and underground storage tanks of gasoline or hazardous waste. Once contaminated, groundwater is often more difficult to purify than surface water, since it is usually subject to more severe contamination. The current status of groundwater contamination is unknown, and currently no separate federal legislation governing groundwater quality exists. Rather, it is protected by the Safe Drinking Water Act, which sets contaminant levels for water at the tap.

Bottled water may not be better

Sales of bottled water are booming, and industry experts credit distrust of municipal water supplies for fueling the growth. Those who expect bottled water to be purer than tap water may be wasting their money, however. Bottled water costs an average of 625 times the price of tap water, but legally bottled water does not have to be any cleaner than tap water. Both bottled water sold in bulk containers and tap water are subject to the same provisions of the Safe Drinking Water Act.

Mineral water does not have to comply with the act because of its higher mineral content. Because sparkling waters (club sodas and seltzers) are considered to be soft drinks, they are also exempt. Thus, depending on its source, bottled water could be better or worse than the water delivered from your tap; but there is no way of knowing.

In some cases bottled water could actually be tap water. Anything labeled "drinking water" suggests tap-water contents. Tap water also can be the primary ingredient of soda water, purified water or distilled water. In fact, one beverage manufacturer is test marketing a product called Denver H_2Oh!—a sparkling water derived from the city's municipal water system, which is filtered, purified, carbonated and flavored prior to bottling.

What you can do

You should not automatically assume that your water supply is unsafe. In fact, according to an analysis of bottled and tap water performed by *Consumer Reports,* the quality of the municipal water in New York City, New Orleans, San Francisco and parts of Los Angeles is "flawless or nearly flawless." Water from large municipal systems tends to be generally safer than small systems with more restricted budgets. (The *Consumer Reports* analysis included tap water from six cities serving more than 22 million people. No serious contamination was identified.)

How can you tell if your water is suspect? Be alert to tap water that is cloudy, brown, murky, foaming or foul-tasting or smelling. Also be aware of any changes in the water's odor, taste or appearance. Any suspect tap water should be reported to the local water and/or health officials. Some areas will test the water free of charge. But most are overburdened and have limited facilities. They will refer you to a private testing lab that could charge $100 or more per analysis. However, you might consider making the investment if you suspect the presence of lead; operate near a hazardous waste dump, chemical plant or large farm; or draw your water from a noncommunity water system. (A noncommunity system serves primarily nonresidential areas or facilities without year-round residents. Although these systems are also covered by the Safe Drinking Water Act, EPA focuses most of its attention on the compliance of community systems.)

If you want to install a water filter, granular-activated carbon filters are considered the best for screening out organic and nonorganic particles, but they will not stop bacteria or viruses. Granular-activated carbon filters also will improve the taste of tap water. The filters attach either to the faucet or under the sink, and the filter cartridges require frequent replacement (failure to maintain the filters could result in severe biological contamination). Other on-premises purification systems are available, but they operate more slowly and tend to be more complex and expensive. These would be appropriate for those whose water supply has been proven to be contaminated (through lab tests). In emergency situations, water can be boiled for 20 minutes to destroy any harmful bacteria, but the process will result in poor flavor. Refrigeration improves the flavor of heavily chlorinated water. Finally, never serve untreated water, such as spring water collected from a local stream or river.

—Claire Regan, R.D.

VIEWPOINT

SEAFOOD IS

In February 1989 WNBC-TV in New York City carried a four-part series titled "Killer Fish." Viewers saw sewage and discarded medical waste running into the bay. They were told that eating fish can lead to cancer and even death. "People were supposed to make the leap that the medical waste that washed up on New York's beaches last summer was infecting the fish," John Farquhar, a vice president of the Food Marketing Institute, told USA Today. *"It was preposterous, but sales dropped as much as 20 percent after the show ran."*

by Lee J. Weddig

Yes, a very small percentage of seafood in this country has the potential to cause illness, and in rare situations, even death. But that doesn't mean seafood is something you should avoid serving, any more than restaurateurs should avoid serving beef, pork, veal, chicken and foods that carry similar risk. Rather, it means that purveyors of seafood should:

☐ *Be aware of the extent of the problem.*

☐ *Understand what is being done about it.*

☐ *Know how to obtain, store and prepare seafood safely.*

The extent of the problem

You may have heard or read that data from the Centers for Disease Control (CDC) show seafood to be 10.4 times more likely than beef to cause illness, and seven times more likely than poultry. This claim has been widely circulated by a group called Public Voice for Food and Health Policy.

Food and Drug Administration (FDA) Commissioner Dr. Frank E. Young refuted these data in testimony June 7 before the House Subcommittee on Fisheries and Wildlife Conservation and the Environment. Public Voice's claim, he said, uses the number of disease outbreaks that occurred, rather than the number of cases of people who actually got sick. (An outbreak is two or more people getting sick from a common food source.)

Although seafood represented 20.4 percent of outbreaks in CDC data, it accounted for only 5 percent of all foodborne illness, Dr. Young testified. That means, he explained, "that fish and shellfish appear to be one-and-a-half times as likely to cause illness [as] poultry and three times as likely as beef."

However, he said, eliminating raw molluscan shellfish from the seafood category shows the remaining seafood "with a risk equal to beef and somewhat less risky than poultry."

Nonmolluscan disease outbreaks associated with seafood are primarily from two naturally occurring toxins, which cause ciguatera and scombroid poisoning, and average only about 150 cases of illness per year," Dr. Young testified.

Ciguatera toxin develops naturally in some reef fish such as barracuda, snapper and grouper when they eat smaller fish that have been feeding on plankton carrying the toxin.

"Unless you live in the subtropical United States and eat recreationally caught fish," says the publication *FDA Consumer,* "there is little risk of ciguatera poisoning."

Improper refrigeration on the boat or in distribution can result in scombroid toxin (histamine) developing in such fish as tuna, bonito, dolphin and mackerel.

What's being done

Obviously, one ill customer is one too many. And the last thing the seafood industry wants to do is destroy consumer confidence in its wholesome and nutritious products.

With this in mind, in 1985 the National Fisheries Institute (NFI) asked Congress for an improved seafood inspection system. It based this request on a two-year study of the present federal inspection system. The seafood industry's largest trade association, NFI, speaks for more than 1,000 companies in all aspects of seafood harvesting and processing.

The present inspection system includes spot-checks of processing plants, packers, warehouses and products, plus FDA inspections of imports at ports of entry. Between 1,000 and 1.400 of the nation's 4,000 seafood establishments are inspected each year, according to FDA estimates.

For a fee, the National Marine Fisheries Service (NMFS) provides a voluntary inspection and grading service. Many large processors take part, and the service inspects about 10 percent of the seafood consumed in the United States. Finally, a number of states inspect seafood and processing plants and patrol harvest areas.

While the current programs are extensive, they are not comprehensive or consistent. Nor do they provide the level of assurance the public expects. These programs often react to problems rather than anticipate them.

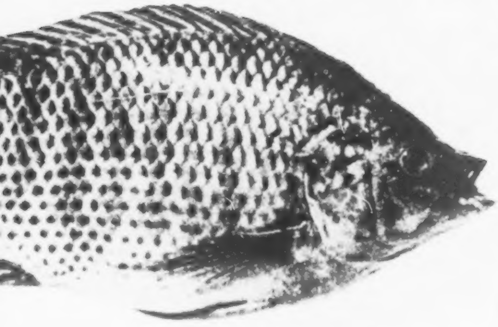
In addition, there's more seafood to be inspected; domestic consumption has risen more than 20 percent since 1982. Indications are that it will continue to grow. Consumers looking for variety are trying new seafood items, too.

These are some of the reasons that NFI took a leadership role in seeking to have the nation's seafood inspection efforts consolidated and expanded. The association's decision, as you might expect, was not accepted by all in the industry.

Congress, however, responded the next year. It gave funds to the Depart-

Lee J. Weddig has been chief staff officer of the National Fisheries Institute in Washington DC since 1967.

SAFE TO EAT



ment of Commerce to design an inspection system based on the Hazard Analysis Critical Control Point (HACCP) concept.

HACCP is nothing new. The FDA already uses it in inspecting low-acid canned foods. The concept is recommended by the National Academy of Sciences. It involves identifying the critical safety-control points in a food-processing operation. Those points are then monitored for safety.

The U.S. Department of Agriculture (USDA) has an inspection program for meat and poultry that involves visual inspection of each carcass. This approach wouldn't be practical for seafood—think of trying to inspect every fish and shellfish coming off every boat!

An interim report on the NMFS' Model Seafood Surveillance Project will be released to Congress this fall. Some in Congress are moving ahead in the meantime. Rep. Gerry Studds (D-MA) has introduced a mandatory-seafood-inspection bill. At a hearing on his bill in June it became clear that there is a lack of agreement on which federal agency should handle a mandatory program and how it should be paid for. The FDA, the NMFS and the USDA all have know-how and involvement with seafood or inspection.

We at NFI believe USDA is best equipped for the job, and recently 13 senators introduced a bill that would place responsibility for the program with USDA. The agency has experience in large-scale inspection with meat and poultry and in working with other governments on imports and exports. It also has the lead federal role in the rapidly growing area of aquaculture, or fish farming.

As for funding the program, some say the seafood industry should pay through user fees, which it would pass along to consumers. We have urged that the program be financed the same way as meat and poultry inspection—with federal funds.

NFI believes the inspection system should include these elements:

☐ Certification of processing plants and ships, to ensure they can produce wholesome products with the processes and species they're using.

☐ Surveillance to ensure that plant operators are using HACCP procedures.

☐ Inspection of U.S. imports to make sure they adhere to U.S. standards. The USDA would perform port-of-entry and site-visit monitoring.

☐ Increased monitoring and enforcement to keep shellfish from being harvested from restricted waters.

☐ Monitoring of fishing waters for toxic substances resulting from industrial pollution, and restricting all fishing when toxins in an area exceed acceptable levels.

☐ Enforcement of labeling and packaging regulations to guard against misrepresentation through species substitution or short weights.

It will be a challenging task to develop such a system for an industry using many diverse processing methods to turn out hundreds of products in widely scattered small plants. That's why NFI is urging that legislation to set up the system be adopted before the 101st Congress adjourns in December 1990.

Serving safe seafood

Even inspected seafood can create problems if it's handled improperly during shipment or after it reaches your establishment. You have every right to demand that your suppliers obtain seafood from safe sources and that they handle your seafood products properly.

Fresh or previously frozen seafood should be kept refrigerated at 35 to 40° F. and used as quickly as possible. Frozen seafood should be kept at 0° F. or less.

Most food purveyors know that precooked rare roast beef presents a risk of salmonella, and rare pork, the risk of trichinosis. Similarly, raw or briefly cooked oysters and clams are riskier than ones that have been thoroughly cooked. Sushi and sashimi, of course, present more risk than broiled, fried, poached, steamed or barbecued fish.

For your raw molluscan shellfish, it's doubly important to have a reliable supplier. Make sure the shellfish have been harvested from "certified" waters. Many law-enforcement agencies believe that illegal harvesting from closed waters is a major problem in some areas of the country. If in doubt, ask your supplier to show you the certified shipper's tag that must accompany shellfish products. On shucked oysters, check for the shipper's number.

The FDA recommends that people with liver disease, cancer, diabetes, chronic gastrointestinal disease, AIDS/ARC/HIV infection or any other condition that impairs their immunity should not eat raw molluscan shellfish.

Store live shellfish in a shallow container covered with a damp towel. Never store them in water or in a plastic bag or other airtight container. Shellfish need air to breathe. Live mollusks will close up. If yours don't, they're probably dead; discard them.

FDA research has shown you can eliminate the hazards of parasites from raw-fish dishes by using fish that has been *commercially* frozen and then thawed. Even in Japan, much sushi is made from fish that has been frozen.

Don't thaw seafood at room temperature. Cut down on bacterial growth by thawing in refrigerated storage, preferably just long enough to separate the pieces. Or thaw in a microwave oven or under cold running water.

One of the greatest preventable risks of illness comes from cross-contamination—that is putting cooked products in contact with raw. Keep the two separate. If you take good care of your seafood, it will surely add to your economic success. ❑

FISHER'S LAW

#100

How to be a grate listener!

Many management gurus frequently (and loudly) lament the decline of listening skills. Although there are many books and articles written on the subjects of "how to be an effective speaker" and "how to really communicate with someone else," less attention has been devoted to the receiver in the communication process and what his/her responsibilities are in completing the communication cycle. (The communication cycle, you will recall, starts with a "sender," who transmits a message to a "receiver" through a "medium"—such as a memo, body language and gestures, voice only, etc. At some point, the sender receives some type of feedback from the receiver, which indicates that the message has been received and understood.) Let's take a look at the subject of listening and see what you can do to become a "really grate listener."

1. *Start by getting as close to the speaker as you possibly can.* If you're standing, move closer in, so that your noses are no more than two inches apart. If you are separated by a barrier, such as a desk, hurdle it or go around it, so that you can get close to the speaker. This really lets the speaker know that you are giving him/her your undivided attention.

2. *Look the speaker directly in the eyes* without wavering or blinking. Maintain that "lock" on the speaker's eyes for as long as the speaker engages your eyes. Don't break the gaze; let the speaker do it.

3. *When the speaker does look away, you can let your eyes roam slightly* around the speaker's face. Start in the middle of the speaker's forehead, and then slowly, but assuredly, let your eyes move clockwise to the speaker's left eyebrow, left ear, left jowl, chin, etc. If the speaker has a hair out of place or lint on the earlobe, feel free to reach out and remove it with pinpoint precision. This lets the speaker know that you are listening so intently that his/her total visage is of concern to you. Speakers really appreciate this kind of attention, because it helps them concentrate on what they are saying to you without distractions.

4. *After every sentence the speaker utters, repeat exactly what was said but preface it with the phrase, "Now did I understand you to say . . ."* This lets the speaker know that what was said has registered with you. It also gives the speaker the required feedback so that the communication process can continue.

5. *When repeating what the speaker said, forcefully intone all emotionally charged words, such as adjectives and adverbs.* Give minimal emphasis to fact-based words, such as nouns and verbs. This tells the speaker that not only do you have an understanding of what was said but you also have a *feeling* for what was said. That will make the speaker's day!

6. *Anticipate the ideas, points and key words the speaker is leading toward, and, in the spirit of helpfulness, say those ideas, points and words first.* The speaker will be ever so appreciative, because it further demonstrates your complete understanding.

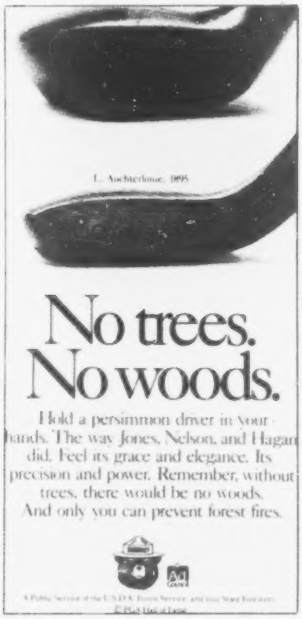
7. *When the speaker is in the middle of each sentence, smile and utter a series of "uh-huhs," "hm-hmms" and "I sees," so that the speaker knows he/she hasn't lost you as a listener.* Make those sounds as loud as possible, because the louder they are, the deeper your understanding.

8. *Use your facial expressions to provide feedback.* Squint occasionally, furrow your brow, purse your lips and flare your nostrils. This tells the speaker that he/she is really making an impression and that you are being responsive to what is being said. (Remember, you are only two inches away from the speaker, so all your expressions can be seen clearly!)

9. *After the speaker has finished communicating with you, give an on-the-spot critique of the substance and delivery of the communication.* The speaker really wants this type of feedback because it will aid him/her in being a better "sender" of communications in the future.

10. *At some later point—perhaps two hours later, the next day, or after a few days—ask the speaker to repeat the essence of what he/she said to you.* This request for repetition conveys your interest in what the speaker said. It is flattering to the speaker, and it gives him/her a chance to condense the earlier remarks to a pithy, incisive summary. Senders of communication love to repeat what they've said!

Fisher's Law #100: If you follow these guidelines, you will be widely known as a grate listener.



No trees.
No woods.

Hold a persimmon driver in your hands. The way Jones, Nelson, and Hagan did. Feel its grace and elegance. Its precision and power. Remember, without trees, there would be no woods. And only you can prevent forest fires.

A Public Service of the U.S.D.A. Forest Service and your State Forester.

States legislate solid-waste measures

State and local governments are busy trying to manage the mounting solid-waste problem. Finding funds to pay for landfill closings and new methods of trash disposal—particularly modern incinerators—is a challenge that has prompted many legislators and regulators to seek new taxes and to raise refuse-collection and landfill-dumping fees.

A hands-on approach by the federal government is unlikely because governments at all levels view the issue as a state and local matter. Local governments in particular are believed to be best situated to respond to changing disposal conditions because of their proximity to the situation. At a recent solid-waste conference for government officials and representatives of the business community, attendees agreed that the federal government can contribute best in the future by playing a leadership role, especially through such entities as the Environmental Protection Agency and the United States Department of Agriculture.

Because the problem is local, solutions frequently are influenced by local political conditions. Long-term solutions, such as source reduction and increased recycling, require considerably less political capital than immediate solutions, such as siting new incinerators and landfills. The "not in my backyard" and "not in my term of office" syndrome has led to faraway disposal sites and substantially increased hauling costs. It is axiomatic that the greater the political capital necessary to resolve a problem, the greater the economic burden on the community, sometimes even specific segments of the community.

In Tulsa, Oklahoma, for example, restaurateurs have seen their solid-waste hauling costs increase by 200 percent to 300 percent this year. The city recently completed a $92 million waste-to-energy facility and, once the plant was finished, recalculated levels of waste generated by restaurants. The city determined that restaurants generated far more refuse than previously thought and used those findings to charge the higher rates. The Oklahoma Restaurant Association believes the study is flawed and is fighting the increased assessments.

In addition to raising hauling rates, governments increasingly are turning to new taxes on packaging to pay for solid-waste disposal. Fourteen states—California, Connecticut, Iowa, Illinois, Massachusetts, Maine, Michigan, Minnesota, North Carolina, New Hampshire, New Jersey, New York, Oregon and Vermont—were facing some type of packaging-tax legislation in May of this year. By mid-July, no taxes had passed, six were defeated, and the remainder were still undecided.

Also being considered are bans on certain types of packaging, ostensibly to reduce waste at its source and to help protect the environment. The high visibility of some foodservice packaging has led to several segments of the industry being singled out as major contributors to the solid-waste stream. This perception does not accurately reflect reality. The fact of the matter is that total foodservice packaging constitutes less than one-third of one percent of the waste in a typical landfill.

Because state restaurant associations and packaging-industry representatives have been working to educate state and local legislators, many potentially damaging bills were killed or put off until next year. Below are significant bills that have passed or are pending at the state level this year.

—Charles Dyke

PROTECTING
THE ENVIRONMENT

State legislation

☐ **California:** *Recycling—A.B.1041* would require a Waste Management Board to study plastics collection, separation and recycling before July 1990. *Status*: Passed Assembly on June 1 and is assigned to Senate Committee on Appropriations.

A.B.939 would create the California Solid Waste Management, Source Reduction, Recycling, Composting and Market Development Act of 1989, which would declare state policy on solid waste. *Status*: Passed the Assembly on June 12 and has been assigned to Senate Committee on Governmental Organization.

Current state law requires counties to establish waste-management plans that seek to recycle 20 percent of waste. *A.B.2199* would include plastics reduction and recycling in county plans. *Status*: Passed Assembly June 26 but has not been heard in Senate yet.

Packaging—A.B.1171 would place limitations on use of nonbiodegradable, duplicative product packaging. *Status*: Bill has seen no action yet. *A.B.1332* would prohibit use of any plastic after January 1992 that is not degradable, as defined by Waste Management Board. *Status*: Bill has seen no action yet. *A.B.1796* would enact the Problem Plastics Act, which would impose a fee (unspecified amount upon unspecified persons) for each ton of "problem plastics" (as defined by Waste Management Board) distributed in state. *Status*: Bill has seen no action yet.

☐ **Connecticut:** *Recycling*—Mandatory recycling law passed in 1988 stipulates that by January 1, 1991, no landfill or incinerator may accept glass or metal food containers, newspaper, yard waste or motor oil.

Packaging—Originally written as tax-on-packaging measure, *H.6641* would now give commissioner of the Department of Environmental Protection authority to draft regulations governing volume of packaging material in waste stream, use of recycling labels and logos on packaging, and toxic substances in waste stream. Goal is to hold growth rate of per-capita garbage consumption to 0 percent. *Status:* Passed and signed into law.

☐ **District of Columbia:** *Recycling*—Mandatory recycling measure signed by mayor in 1989 requires households and businesses to separate all newspaper, glass and metal from waste stream by October 1, 1990.

☐ **Florida:** *Packaging—Solid Waste Act of 1988*, bans sale or use of polystyrene and plastic-coated paper products that are used for food consumption and not degradable within 12 months. *Status*: Law becomes effective one year after FDA-certified substitute for such materials is available.

H.B.1095 would require foodservice establishments in state agencies to use degradable materials where technically and economically feasible. *Status*: Did not pass before legislature adjourned.

☐ **Hawaii:** *Packaging—H.B.171* would prevent retail food establishments from selling or providing food or drink in plastic containers unless containers degrade within 120 days. *Status*: Did not pass before legislature adjourned.

☐ **Maine:** *Recycling—H.B.25* would encourage recycling and the development of recycling markets by imposing a three-cent tax on throwaway containers. *L.D.92* would create tax incentives for using recycled packaging. *Status*: Bills were combined into one comprehensive waste-management measure, *L.D.1431*, which was passed and signed into law. Tax-on-packaging component did not survive final draft.

Bill establishes statewide solid-waste recycling goal of 25 percent by 1992 and 50 percent by 1994. It provides tax incentives to recyclers. Bill also expands state bottle-return law to cover liquor, wine and all noncarbonated drink bottles (except milk and dairy products). Handling fee is increased by one cent.

☐ **Massachusetts:** *Recycling—H.B.1783* would place a three-cent tax on all packaging not recycled at a rate of 30 percent or greater by 1993. Recycling rate would increase to 50 percent after 1993. Exemptions from tax include deposit-covered beverage containers and packages that measure less than 2 by 2 inches—but not fast-service containers. *Status*: Bill has seen no action yet.

☐ **Michigan:** *Packaging—H.B.4083* would require fast food packaging to be degradable. *Status*: Bill has seen no action yet.

☐ **Nebraska:** *Recycling—L.B.764* would establish a solid-waste-reduction fund to launch recycling efforts in state. *Status*: Bill did not pass but is likely to return next year.

Packaging—L.B.325 (Degradable Products Act) would require that by January 1992, packaging of all retail and prepared-food items be degradable. *Status*: Bill passed but was amended to exempt restaurant packaging.

☐ **New Hampshire:** *Packaging—H.B.746* would impose a tax of four cents per container on all nondegradable packages. The bill would exempt food items for first three years. *Status*: Bill will carry over to 1990 session.

☐ **New York:** *Packaging—A.B.5582* would impose a three-cent packaging tax on nonreusable and nonrecyclable packaging materials. *Status:* Bill died this year.

☐ **North Carolina:** *Packaging—S.B.720* would prohibit the sale, distribution or use of polystyrene packaging unless recyclable or degradable within 24 months. *Status*: Bill has seen no action yet this year.

Recycling—H.B.1225 would impose an advance disposal fee of one cent per container on all nonrecyclables and a 50-cents-per-ton landfill tipping fee. *Status*: Bill is still in committee.

☐ **Oregon:** *Recycling—H.B.3278* and *S.B.990* would ban use of polystyrene in foodservice packaging. *S.B.353* would prohibit all state-run foodservice operations from using polystyrene packaging. *Status*: All three bills saw no action this year.

Recycling—H.B.3482 would place a surcharge of one-quarter of one percent on the wholesale price of disposable containers and establish solid-waste-policy review board. *Status*: Bill passed but tax component was deleted.

☐ **Pennsylvania:** *Packaging—H.B.753* would prohibit the sale of all foodservice packaging not classified as degradable by the Department of Environment. *Status*: Bill has seen no action yet.

☐ **Rhode Island:** *Packaging—H.B.5565* would require all beverages to be in containers that are fully recyclable and recycled at a rate of 85 percent or greater by 1992. *Status*: Bill passed the legislature and awaits the governor's signature.

FOODSERVICE TRENDS

Red-meat update

U.S. Department of Agriculture (USDA) statistics show that the decline in meat consumption has apparently leveled off. In restaurants, red-meat entrees are especially popular at upscale establishments and with older consumers.

Nutrition concerns prompted many consumers to cut down on their intake of red meat in the 1980s. However, recent government statistics suggest that the slide in red-meat consumption may be slowing, as red meat regains its popularity.

Consumption

For 1989 USDA forecasts that per-capita consumption of red meat (including beef, pork, veal and lamb) will be 135.4 pounds—down slightly from last year but virtually equal to 1987's consumption level.

Consumers are not eating all red meats equally, however. According to USDA, beef consumption has dropped since 1985—down from a high of 78.8 pounds in 1985 to 72.7 pounds in 1988. USDA forecasts the downward spiral to continue, with beef consumption projected to fall to 69.9 pounds in 1989.

Pork, on the other hand, has experienced a recent upsurge. Per-capita consumption reached 63.1 pounds in 1988—up from 59.1 pounds in 1987. This increased consumer interest in pork has been partly spurred on by the pork industry's "the other white meat" promotion program.

Consumption of other red meats is anticipated to remain stable. USDA projections show per-capita consumption of veal to be 1.4 pounds in 1989, unchanged from 1988 but down from 1.9 pounds in 1986. Lamb consumption is forecast to remain at 1.4 pounds in 1989, unchanged from 1988.

Prices

Beef and veal prices hit a four-year low in 1986, but have been on a steady increase since then. The Producer Price Index (PPI) for beef and veal increased 15.2 percent between 1985 and 1988. For the first half of 1989, beef and veal prices were 8.9 percent higher than they were during the first half of 1988.

The PPI for pork hit a four-year peak in 1987 but has since dropped below 1982 price levels. Between 1985 and 1987, wholesale pork prices rose 17.7 percent, but fell 9.5 percent from 1987 to 1988. They continued to fall during the first half of 1989, when they were 4.7 percent lower than they were for the same period in 1988.

Meat at restaurants

In 1988, red-meat dishes enjoyed a relatively high degree of popularity, particularly at upscale restaurants where meat-oriented entrees were ordered on 20 percent of occasions. In fact, red-meat dishes were as popular as fish and seafood, which were ordered on 21 percent of occasions, and more popular than chicken entrees, which were ordered on 10 percent of occasions.

At upscale eateries in 1988 where red-meat-oriented entrees were particularly popular, 64 percent of meat entrees were beef, 10 percent were barbecued ribs, 9 percent were veal, 7 percent were pork, 6 percent were ham and 4 percent were lamb and other meats, such as game.

As with overall beef consumption, interest in eating beef away from home has also waned. Beef-entree orders at restaurants fell 3 percent in 1988 and 7 percent in 1987, while total traffic gained 4 percent in the two-year period, reports NPD CREST. As a result, beef's share of total eater occasions* slipped at midscale and upscale eateries.

Of all beef entrees, steak was the favorite in 1988, accounting for 37 percent of total beef-entree orders, followed by roast/prime rib (22 percent) and ground/chopped steak (20 percent).

Pork: picking up

Although consumers have been showing less interest in ordering beef when dining out, pork is becoming more popular. CREST** data show that restaurant orders of pork entrees increased almost 30 percent between 1987 and 1988, with midscale and upscale pork entree orders each growing by more than 25 percent. Ham orders at restaurants have also been up, but by a smaller margin than for pork. Total orders of ham increased 1.7 percent between 1987 and 1988, largely a result of a 4.3 percent increase in ham orders at midscale establishments.

According to a 1988 study by the National Pork

**An eater occasion is one meal or snack eaten by one person; a restaurant occasion is a transaction that includes one or more diners.*

***CREST stands for Consumer Reports on Eating Share Trends, a diary survey conducted by one of the NPD marketing and research companies.*

Producer prices for meat, poultry & fish

Poultry prices have risen more in recent years than have prices for red meat and fish

Item	Percent change* in Producer Price Index (PPI)			
	1985–1986	1986–1987	1987–1988	1988–1989**
Beef & veal	(2.4)%	8.4%	6.3%	8.9%
Pork	12.1	5.0	(9.5)	(4.7)
Poultry	5.8	(11.4)	7.8	22.5
Fish & shellfish	9.0	12.1	6.2	2.1

**based on annual averages*
***year to date through June*
Source: Bureau of Labor Statistics

Per-capita consumption of red meat

The slide in red-meat consumption appears to be slowing down

	Pounds				
Year	**All red meat**	**Beef**	**Pork**	**Veal**	**Lamb**
1985	144.0	78.8	61.9	1.8	1.4
1986	140.2	78.4	58.6	1.9	1.4
1987	135.3	73.4	59.1	1.5	1.3
1988*	138.5	72.7	63.1	1.4	1.4
1989**	135.4	69.9	62.7	1.4	1.4

** = preliminary, ** = forecast*

Source: U.S. Department of Agriculture

Producers Council (NPPC), 53 percent of foodservice operators offer fresh pork*** items somewhere on the menu—up from 46 percent in 1987—and 28 percent of operators said their usage of fresh pork had gone up in 1988. NPPC estimates that total pork volume for foodservice operators reached 4.0 billion pounds in 1988—up 1.1 percent from 1987.

Many restaurateurs foresee pork having a bright future at their establishments. Thirty-seven percent of operators in the NPPC survey are expecting orders for fresh pork to go up in 1989, compared to 6 percent who think pork orders will decrease. Fifty-seven percent feel that orders will remain unchanged from 1988.

Who is eating red meat, when?

On what days are meat-based entrees ordered? And who orders them? According to a new National Restaurant Association special CREST study, the answers vary from one type of red meat to another.

☐ In 1988 most beef and veal entrees were ordered at dinner. About seven out of 10 steak, roast beef/prime rib and veal entrees were ordered at that time. In comparison, just more than 20 percent of orders for steak, roast beef/prime rib and veal entrees were placed at lunch.

☐ Lunch was a more popular time for ground beef and pork orders. Four out

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****includes fresh pork shoulder, fresh pork tenderloin, fresh whole loins/loin roasts, pork chunks/strips/hocks, fresh uncured ham, fresh boneless pork chops, or fresh ground pork.*

Focus on barbecue

Barbecued ribs and barbecued chicken appeal to different consumers at different times. In 1988:

☐ Barbecued ribs were more popular among men, who accounted for 54 percent of orders. Conversely, barbecued chicken was slightly more popular with women, who consumed 51 percent of orders.

☐ Both barbecued ribs and chicken were surprisingly popular among individuals 50 years old and older, who accounted for 38 percent of orders for both items.

☐ Barbecued ribs were most popular at dinner; 71 percent of barbecued-rib orders were placed at that time. Twenty-four percent of barbecued-rib orders were placed at lunch.

☐ Barbecued chicken was most often ordered at dinner, but not as often as ribs; 62 percent of barbecued-chicken orders were placed at dinner. The situation was reversed at lunch—chicken had more orders, with one out of three barbecued-chicken orders being placed at that time.

☐ Barbecued ribs were usually ordered on the weekend; 45 percent of rib orders were placed on Saturday and Sunday. In contrast, 36 percent of chicken orders were placed on the weekend, and 30 percent of orders came on Thursday and Friday.

☐ Both barbecued ribs and chicken were primarily eaten on premises. Almost seven out of 10 rib orders and six out of 10 barbecued-chicken orders were eaten within the establishment.

☐ Barbecued ribs was the most popular red-meat entree to be consumed off premises; 24 percent of barbecued-rib orders were eaten at home.

☐ One out of four barbecued-chicken orders was also eaten at home.

☐ Barbecued ribs were more frequently ordered at barbecue restaurants than was barbecued chicken. About one out of four barbecued-rib orders was placed at a barbecue restaurant, compared to 11 percent of barbecued-chicken orders. In addition, 11 percent of total barbecued-rib orders were placed at Asian eateries. Fast-food chicken places received the largest percentage of barbecued-chicken orders.

Source: National Restaurant Association CREST study, 1989

Less beef on menus

Beef consumption is down, and the results of the National Restaurant Association's 1988 menu analysis* reflect this trend. In 1982 meat (beef, pork, lamb and veal) accounted for the largest percentage of entrees (35 percent), but by 1988 meat entrees accounted for a lesser 22 percent. The availability of beef steaks and prime rib declined over the six-year period—from 19 percent of entrees in 1982 to 12 percent in 1988. Pork ribs, however, experienced a slight gain, from 2 percent of entrees to 3 percent.

In the sandwich category, hot dogs, hamburgers and cheeseburgers maintained their presence on menus, while other beef sandwiches declined from 18 percent of all sandwiches in 1982 to 15 percent in 1988. Similarly, the number of pork sandwiches on the menus fell from 11 percent of sandwiches in 1982 to 7 percent in 1988.

Only appetizers experienced a gain in meat orders. In 1982, meat accounted for one percent of appetizers (excluding pate), but by 1988, 5 percent of the appetizers included beef, pork, lamb or veal. Ribs were the biggest gainer among meat appetizers. In 1982 only one menu offered ribs as an appetizer, but by 1988, seven menus did so. This growth in meat appetizers could reflect patrons' desire for smaller portions of meat.

**One hundred lunch and dinner menus were randomly selected for analysis from among those submitted to the National Restaurant Association's Great Menu Contest. Fifty were chosen from the 1982 entrants and 50 from 1988.*

of 10 ground beef and pork entrees were ordered then.

□ Ham entrees were most frequently ordered at breakfast, when almost four out of every 10 ham orders were placed. Three out of 10 ham orders were placed at both lunch and dinner.

□ Saturdays and Sundays were the most popular days to order meat entrees. Almost four out of 10 meat main dishes were ordered on the weekend.

□ In 1988 steak, roast beef/prime rib and veal entrees were most likely to be ordered on a Saturday, when about one out of four orders was placed.

□ Pork entrees were most frequently ordered on the weekends as well, with 37 percent of orders coming on a Saturday or Sunday.

□ Sunday was the big day for ham orders. In 1988, 28 percent of ham-entree orders were placed on Sunday.

□ Meat entrees were usually consumed on premises. More than nine out of 10 steak, roast beef/prime rib and veal orders were eaten on premises, as were more than eight out of 10 ground-beef and ham entrees, and just more than three out of four pork entrees.

□ Pork was the meat most frequently consumed off premises. Fourteen percent of pork-entree orders were eaten at home.

□ All meat entrees were more popular with men than with women. Women contributed their greatest share in veal and pork-entree orders.

□ Meat dishes were especially popular with the over-50 crowd. These consumers ate almost half of all roast beef/prime rib, ground-beef, veal, pork and ham entrees. —*Nancy Michalski*

Spotlight on shopping-center restaurants

Shopping centers have been touted as the new "village green"—a place for people to meet and socialize as well as shop. Restaurants are playing an important role in this social mix, especially at larger centers where they bring in a high return on sales.

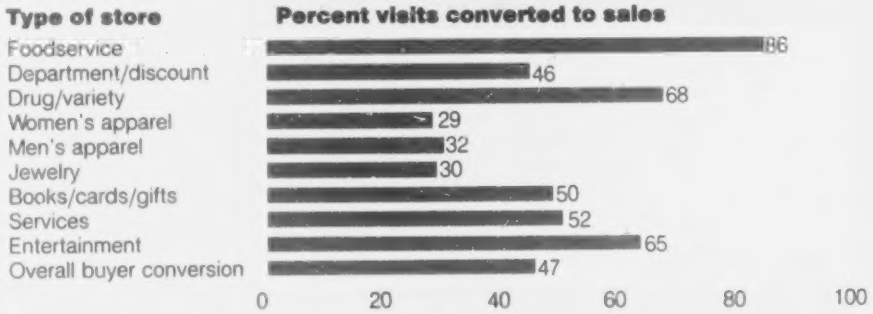
Born to shop. Shop 'til you drop. Those are just two colloquialisms that describe the fascination many consumers have with shopping. Many of today's largest shopping centers include more than 100 stores, making it possible for consumers to do all or a good portion of their shopping, socializing, exercising—and dining—in a single location.

Shopping centers are growing

The increased popularity of shopping centers can best be seen in their growth in numbers, size and sales. According to the National Research Bureau, the number of shopping centers increased 7.5 percent from 28,496 in 1986 to 30,641 in 1987. In addition, between 1986 and 1987 the gross leasable area (GLA) in shopping centers expanded 5.7 percent—from 3.5 billion square feet to 3.7 billion square feet, and retail

Buyer conversion rates at shopping-center stores in 1988

Foodservice outlets are the most efficient in converting visits to sales



Source: Stillerman Jones & Co., *1988 National Benchmarks*

Shopping-center shopper demographics

Like most activities, shopping in a shopping center is more attractive to some consumers than others. According to *1988 National Benchmarks*, in 1988:

□ The average shopping-center shopper was 38.8 years old and had an estimated mean income of $37,780 per year.

□ More than two-thirds of shopping-center shoppers were female (68 percent). Seventy percent lived in a house. More than half were married (53 percent), and 59 percent had no children at home.

□ Shopping centers had a high draw for people between 15 and 54 years of age and a low draw for individuals 55 years old and older.

□ Seven out of 10 shoppers went to a shopping center from home, and more than six out of 10 (64 percent) returned home after shopping.

□ More than 42 percent of shoppers went to the center to just shop in general or browse; 27 percent went to make a specific purchase and 21 percent went to a specific store.

□ In 1988 the average expenditure per shopping trip was $45.93. Women spent more on the average than men did, and those between 45 and 54 years of age spent the most of any age group.

□ Although almost half of all shoppers (48 percent) spent less than one hour in a shopping center, the average shopping trip lasted 74 minutes.

sales advanced 8.2 percent—from $556.5 billion in 1986 to $602.3 billion in 1987.

Restaurants are important tenants

Few people would contest that walking around a large shopping mall can make a person hungry. Foodservice establishments are, in fact, among the top tenants at many shopping centers.

The Urban Land Institute (ULI) found that in 1987 fast food and carryout establishments were the third-largest tenant in super-regional shopping centers,* while restaurants that served alcoholic beverages ranked 16th. On average, there were 5.5 fast food and carryout places and 1.7 alcohol-serving restaurants located in super-regional malls.

Moreover, ULI data showed that foodservice establishments provide a high return on sales for the space they occupy in the shopping center, particularly at large developments. Shopping-center operators divide the percent of restaurant sales contributed to the mall by the percent of total leasable area occupied by restaurants to determine the sales-to-leasable-area ratio. A ratio higher than one indicates that the percentage of contribution to sales is higher than contribution to space.

At super-regional shopping centers, foodservice establishments had a sales-to-leasable-area ratio of 1.11. Data from ULI showed that foodservice establishments occupied 8.5 percent of the gross leasable area available in super-regional shopping centers, but accounted for 9.4 percent of the centers' total sales. This high rate of return makes restaurants attractive to developers and planners of large shopping centers.

By comparison, restaurants located at smaller shopping centers tend to contribute a lesser share to a center's sales. At neighborhood centers, the smallest classification of shopping centers, foodservice establishments occupy 7.6 percent of the gross leasable area, but contribute a lower 5.3 percent of the centers' total sales. At regional shopping centers and community shopping

Selected income and expenses,* at shopping-center restaurants in 1987

	Amount per seat	Ratio to sales**
Total sales	$4,748	-
Total cost of sales	1,603	32%
Gross profit	3,130	68
Total income	3,173	69
Controllable expenses		
Payroll	1,229	25
Employee benefits	92	3
Direct operating expenses	266	5
Music & entertainment	11	***
Advertising & promotion	122	2
Utilities	170	3
Administrative & general	139	3
Repairs & maintenance	71	1
Total controllable expenses	2,318	46
Occupation costs		
Rent	308	7
Property taxes	20	***
Other taxes	37	1
Property insurance	62	1
Total occupational costs	408	10
Income before interest & depreciation	456	11
Interest	59	1
Depreciation	158	4
Restaurant profit	$ 245	6%

*Median values
**All ratios are based as a percentage of total sales.
***Less than one percent

Source: National Restaurant Association, *Restaurant Industry Operations Survey, 1988*

**A shopping center, as defined by the Urban Land Institute, is a group of commercial establishments planned, owned, developed and managed as a unit in a single location.*

- ☐ *A neighborhood center offers the sale of convenience goods and personal services for day-to-day living needs of the immediate neighborhood. It is built around a supermarket.*
- ☐ *A community center is larger than a neighborhood center, and in addition to a supermarket, it is built around a junior department store, a variety store or a discount store.*
- ☐ *A regional center offers general merchandise, home furnishings and a range of services and recreational facilities. It is usually built around one or two full-line department stores.*
- ☐ *A super-regional center offers extensive general merchandise, apparel, furniture and home furnishings and has at least three full-line department stores, each occupying no less than 100,000 square feet.*

How restaurants contributed to shopping area sales in 1987

Restaurants at super-regional centers make the highest contribution to shopping center sales

Center type	Percent gross leasable area (GLA) occupied by restaurants	Percent total center sales from restaurants	Ratio of sales to GLA
Super-regional	8.5%	9.4%	1.11
Regional	7.0	7.2	1.03
Community	5.1	4.9	0.95
Neighborhood	7.6	5.3	0.70

Source: Urban Land Institute, *Dollars & Cents*

centers, which fall between super-regional and neighborhood centers in terms of size, the contribution of restaurants to sales is roughly proportional to the size of the space they occupy.

Hence, restaurateurs looking to locate in a shopping center should realize that their presence may be more welcome in a larger center, where the rate of return for space is usually higher than in a smaller shopping center.

Afternoon snack food preferences

What do customers buy when they snack in shopping centers? According to CREST, soft drinks were the most-often-purchased snack in the afternoon. Almost three out of 10 afternoon snack purchases (29.2 percent) were a soft drink, and almost all of those drinks (26.7 percent) were carbonated. Ice cream was the second most-popular afternoon snack, accounting for 23.8 percent of midafternoon munchies. Soft-serve ice cream (13.7 percent of purchases) was more popular than hard ice cream (10.2 percent) and frozen yogurt (6.2 percent). Also popular for satisfying afternoon cravings were french fries (9.3 percent), coffee (8.8 percent) and burgers (7.7 percent).

Profits higher in shopping centers

Tableservice restaurants located in shopping centers enjoyed a higher profit per seat than did other tableservice respondents, according to the National Restaurant Association's *1988 Industry Operations Survey.*

□ Shopping-center restaurants had a median profit of $245 per seat, or 6 percent of sales, compared to tableservice restaurants, which posted a median profit of $213 per seat, or 5 percent of sales.

□ In 1988 the average check at shopping-center restaurants was $4, compared with $8 at tableservice restaurants. Despite the lower check average, shopping-center eateries had a higher sales per square foot than did tableservice establishments—$202 versus $171.

□ Restaurants located in or attached to a shopping center also had fewer full-time-equivalent employees—19 compared with 26 for tableservice restaurants and 29.5 for limited-menu restaurants.

□ The median total sales per full-time-equivalent employee was $29,815 for shopping-center restaurants, compared with $28,714 for tableservice establishments and $28,006 for limited-menu eateries.

Foodservice is tops in converting visits to dollars

Part of the reason why many restaurants in shopping centers post high sales for the space they occupy is that they convert more customer visits to sales than other stores within a center do.

According to *1988 National Benchmarks,*** more than one out of three people surveyed (35 percent) visited either a food court or foodservice establishment while in a shopping center. Foodservice establishments (including food courts) had the highest percentage of buyer conversion of all categories of stores. Almost nine out of 10 shoppers (86 percent) who stopped at either a food court or some other foodservice establishment made a purchase. In contrast, the overall buyer conversion for all shopping-center outlets was a significantly lower 47 percent.

Restaurants are likely to capitalize on the larger customer counts at a shopping center. Increasing the number of patrons in shopping centers can be a real boost for shopping-center restaurants because many consumers buy something to eat once they come to shop.

Snacking is popular with shoppers

According to CREST, in 1988 shopping was the third-most-mentioned activity undertaken prior to eating out. Twelve percent of all restaurant visits came immediately after shopping. Only home and work provided more restaurant customers.

Afternoon snacks were extremely popular with shoppers in 1988. Almost one out of four people (24 percent) who ate an afternoon snack at or from a restaurant shopped before snacking. Lunch was the second-most-popular meal to eat out after shopping, followed by morning snacks and evening snacks. CREST data indicate that shoppers frequented fast food restaurants the most, followed by midscale and upscale establishments.

Part of the popularity of quickservice restaurants and afternoon snacking may be attributed to the location. With numerous options to choose from, consumers can pick up a little something here or there when they are hungry.

—Nancy Michalski

**National Benchmarks *is produced annually by Stillerman Jones & Company of Indianapolis. It presents a summary of shopper characteristics and shopping habits, based on the results of 33,300 shopper-intercept surveys. Because it includes all nonurban shopping centers and urban mixed-use centers, it offers a standard of comparison for shopping centers.*

The market for ethnic foods

Which ethnic foods are most popular with consumers when dining out? Who eats a specific ethnic food? What are consumer attitudes towards ethnic restaurants? Answers to these and many other questions are contained in a new National Restaurant Association study: ***The Market for Ethnic Foods in Restaurants.*** *The study, a national telephone survey of 635 individuals conducted in March 1989, identifies consumer preferences and attitudes for 19 ethnic foods.*

As ethnic foods and restaurants continue to climb in popularity, restaurant operators have more and more questions concerning the consumption of these foods in their dining establishments.

Consequently, the National Restaurant Association decided to research:

☐ Which ethnic foods are most popular with consumers

☐ Who orders ethnic foods in restaurants

☐ How frequently these ethnic foods are ordered—both on and off premises

☐ Consumer attitudes toward ethnic-food consumption in restaurants and

☐ Characteristics of consumers' favorite ethnic restaurants.

According to the association's latest consumer attitude and behavior study, *The Market for Ethnic Foods in Restaurants*, three ethnic food categories dominate contemporary restaurant consumption patterns:

☐ Chinese,

☐ Italian (excluding pizza) and

☐ Mexican.

The accompanying chart summarizes the popularity of the 19 different types of ethnic foods covered by the survey.

Which ethnic foods are being consumed at restaurants?

Chinese food is tops in popularity this year

Rank	**Ethnic food**	**Proportion of respondents***
1	Chinese	88.1%
2	Italian **	78.9
3	Mexican	72.6
4	Greek	36.8
5	Latin America	32.7
6	Spanish	26.8
7	French	23.7
8	Caribbean	21.9
9	Japanese	21.0
10	Vietnamese	19.0
11	Russian	17.4
12	German	16.1
13	African	16.0
14	Indian	14.9
15	Middle Eastern	13.1
16	Thai	12.6
17	Scandinavian	11.7
18	Korean	10.8
19	Eastern European	9.8

* *eaten on or off premises sometime in the past and consumed on or off premises in the past month*

** *excludes pizza*

Source: National Restaurant Association, *The Market for Ethnic Foods in Restaurants, 1989*

Other study highlights:

☐ Survey results indicate that several additional ethnic foods, such as Greek, Latin American, Spanish, French, Caribbean and Japanese, can be regarded as composing a second tier of consumer interest and behavior.

☐ Middle Eastern, Thai, Scandinavian, Korean and Eastern European cuisines displayed low overall consumption patterns and were consumed by a small segment of the nation's population.

☐ Consumers exhibited highest agreement with the statement, "People would eat more ethnic foods in restaurants if the dishes were described better and more accurately on the menu."

This key finding highlights the importance of the ethnic-food-menu communication process in stimulating the purchase of such foods at restaurants.

☐ Ethnic foods with a strong interest level among consumers who had *never* eaten the given food from a restaurant include Caribbean, Scandinavian, Middle Eastern, Indian, Russian and African.

☐ Consumers exhibited high agreement with the following statements:

- ● Most children do not like to eat in ethnic restaurants as much as do adults.
- ● I wish more ethnic dishes were available at family or moderately priced restaurants.
- ● I would try more ethnic dishes if they were available at restaurants.

☐ Foods with a relatively high at-home preparation rate include Chinese, Mexican, Italian, German and Eastern European.

☐ Most ethnic-food restaurants are meeting the expectations of most patrons. Consumers ranked these establishments high in friendly people and service, size of portions and food quality.

☐ Ethnic-food restaurants were ranked low in variety of desserts and beverages.

—Hudson Riehle

To order the ethnic food study

The Market for Ethnic Foods in Restaurants is published in two volumes. Volume I (CS969) provides an extensive summary of results. Volume II (CS970) consists of detailed tables for those interested in using survey results for their own marketing plans.

Both volumes will be available in September 1989. The fee to association members is $27.50 per volume; to nonmembers it is $55 each. This includes shipping and handling charges (overseas orders require a 20 percent surcharge). All orders must be prepaid.

You may order by sending a check or money order to the National Restaurant Association Publications Department, 1200 17th Street, N.W., Washington DC 20036. For credit-card orders, call the association's information service and library between 9:00 a.m. and 5:00 p.m. (Eastern Standard Time) at 1-800-424-5156 or (202) 331-5960 in Washington DC.

Foodservice Market Measure–June 1989

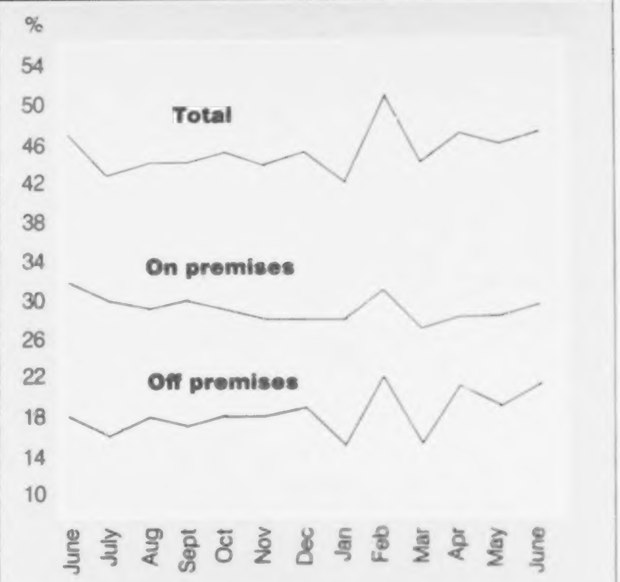
After tracking consumer behavior for one full year, the Foodservice Market Measure reveals that 47 percent of adults were foodservice patrons on a typical day in June 1989, which is identical to the proportion who reported they purchased a meal or snack in a restaurant, fast food place, cafeteria or other eating place 12 months earlier. This suggests that customer traffic is increasing no faster than the rate of adult population growth.

A look at on-premises versus off-premises patronage underscores the growing prominence of carryout. Twenty-one percent of adults reported that they were carryout or delivery patrons on a typical day this June, compared to 18 percent in June 1988. Although this difference is not statistically significant, quarterly data show similar changes, and these are significant because of their larger sample size. In contrast to increases in off-premises patrons, on-premises visits were down. Twenty-nine percent of adults visited an eating place on a typical day in June 1989, compared to 32 percent one year ago.

The growing propensity for off-premises consumption is most evident at dinner. In June 1989 nearly 46 percent of dinner patrons reported that they purchased a meal or snack for carryout or delivery, versus 54 percent who ate on premises. In comparison, in June 1988, 39 percent of dinner patrons reported they purchased carryout or delivery, versus 61 percent who were on-premises visitors.

Because of the growth in off-premises dinner purchases, dinner posted a strong showing in June 1989, with 23 percent of adults reporting they were foodservice patrons on a typical day. This is similar to the highest proportion—24 percent—who reported they were dinner patrons in July 1988.

Percent of adults who were foodservice patrons on a typical day



Source: National Restaurant Association Gallup Survey

Breakfast, on the other hand, posted a relatively poor showing in June 1989; only 4 percent of consumers reported they were foodservice patrons on a typical day. Although the difference is not significant, more than 5 percent had been breakfast patrons a year earlier. Moreover, the June 1989 figure is the lowest monthly ranking since the Market Measure began tracking behavior.

In June 1989, 20 percent of adults reported they were foodservice patrons for lunch on a typical day, compared to 22 percent in June 1988. Off-premises traffic is having less effect on lunch, with about one-third of patrons purchasing carryout versus two-thirds eating on premises. Overall, fewer adults were foodservice patrons for lunch than for dinner in June 1989, another indication dinner was the only meal enjoying a strong showing. ❑

—Susan Mills

Percent of adults who were foodservice patrons on a typical day in June 1988 and June 1989

Meal period	June 1988	June 1989	Change in percentage points
Breakfast	5%	4%	−1
Lunch	22	20	−2
Dinner	23	23	0
Snack	4	3	−1

Source: National Restaurant Association Gallup Survey

Foodservice Market Measure

The Foodservice Market Measure is based on 1,000 telephone interviews, conducted by the Gallup Organization each month, with a nationally representative sample of adults age 18 and older. Each person is asked the same questions:

1. Which of the following did you do yesterday?

☐ Ate on the premises of a restaurant, fast food place, cafeteria or any other place where you purchased a meal or snack,

☐ Purchased takeout food "to go" or had it delivered.

2. Was the food you ate on premises yesterday for breakfast, lunch, dinner or a snack?

3. Was the takeout food you purchased or had delivered for breakfast, lunch, dinner or a snack?

The monthly tracking of purchases is supplemented by quarterly inquiries on topics of industry interest.

1 NEW ENGLAND

Location: Enfield, CT
Association members: James Cudnik, Barbara Foley
Operation: Fat Belly Deli
Profile: Delicatessen
In business: 4 years
Seats: 36
Meals served: Breakfast, lunch

Enfield, Connecticut—between Springfield and Hartford—is a growing town, and business at the Fat Belly Deli is increasing accordingly. The deli offers a wide variety of sandwiches, salads and soups made on premises, including a lobster or seafood bisque. The Fat Belly Special is shaved steak, mushrooms, peppers, onions and cheddar cheese on a grinder roll. Tableservice customers sit in oak booths in a room with ceiling fans, Tiffany lamps and drawings of comedians on the walls. Takeout customers can fax their orders in, if they choose.

The deli used to be open for supper, but now it limits itself to breakfast and lunch, to cut down on the workforce. Breakfast is the most popular meal on weekends; but during the week, breakfast and luncheon customers are about evenly divided, says manager **Barbara Foley.**

2 MID-ATLANTIC

Location: Lambertville, NJ
Association member: David Duthie
Operation: Yellow Brick Toad
Profile: Upscale restaurant
In business: 11 years
Seats: 270
Meals served: Lunch, dinner, Sunday brunch

The Yellow Brick Toad is a bucolic destination restaurant, with manicured gardens surrounding the building. The area is home to a small artists' colony, and there are art and antique shops in or near the town, which is a five-minute drive across the Delaware River from New Hope, Pennsylvania, and a 20-minute drive from Trenton, New Jersey.

Owner **David Duthie** describes his food as inventive American continental. One specialty features medallions of batter-dipped veal wrapped around slivered lobster tail, sauteed and served on a bed of spinach with a shallot-and-mushroom sauce. The menu also includes a page of wellness foods (appetizers through desserts), which are prepared without salt, refined sugar or saturated fats.

"This is about the best year we've ever had," says Duthie, but he adds that finding help in an area where unemployment is less than one percent is a huge problem.

3 SOUTH ATLANTIC

Location: Virginia Beach, VA
Association members: Thomas and Christopher Kyrus, Constantine Patselas, Joseph Zarenski
Organization: Lynnhaven Fish House
Profile: Upscale seafood restaurant
In business: 10 years
Seats: 125
Meals served: Lunch, dinner

At Lynnhaven Fish House, business is good all year round, in contrast to many other restaurants in this ocean-resort town that do well only in the summer. Controller **Constantine Patselas** reports the restaurant caters to the "gray market." "They know food," he says, "and our quality is consistent." Most of the seafood served at the restaurant comes from local waters, with catches of the day a regular menu feature.

To let the town people know how much they are valued, the fish house holds a Commitment Day every February, with gross profits donated to a different local charity each year.

4 EAST NORTH CENTRAL

Location: Rochester, IN
Association members: Gloria, Larry, Lisa and Debbie Calhoun
Operation: The Streamliner Junction
Profile: One of two family-owned casual restaurants
In business: 25 years
Seats: 70
Meals served: Lunch, dinner

When **Larry Calhoun** was 14, he was a carhop at the original Streamliner, earning 25 cents an hour plus all the food he could eat. At 21 he bought the restaurant, at the junction of three highways, and has since done so well he's opened a second Streamliner in a central part of town.

The older Streamliner retains its 50s-style atmosphere, and carhops still serve those who want to eat in their cars. The specialty is the BCIT (best cheeseburger in town). The new Streamliner has only tableservice and offers a larger menu selection.

"Business is always good," says Larry Calhoun. He credits much of his success to an ability to find and keep good employees. "Many people have been with us 10 years or more," he says. "Almost all employees in management positions began with us when they were in high school, and 90 percent of our full-timers began as part-timers."

5 EAST SOUTH CENTRAL

Location: Knoxville, TN
Association members: William, Karen and Jane Kendrick
Operation: The Orangery Restaurant
Profile: Upscale restaurant
In business: 18 years
Seats: 150
Meals served: Lunch, dinner

The Orangery is a special-occasion restaurant, with soft lights, starched linens, polished silver and upholstered silk-covered walls. It's a popular setting for ladies' luncheons, wedding receptions and bar and bas mitzvahs.

Business has been good, says business manager **Jane Kendrick.** "It's been a wonderful year."

Located in a business section on the west side of Knoxville, in a building it shares with shops, the Orangery has Palladian arched windows and wooden French doors taken from old homes and banks in the Knoxville area. Two courtyards—one paved with old brick, the other paved with black-and-white tile and with a fountain in the center—are used during wedding receptions. In addition to the main dining room, the restaurant features a drawing room, four private dining rooms, and a ballroom.

The menu offers classic dishes, such as a filet Perigaux—a filet filled wih oysters and Stilton cheese and served with a watercress bearnaise sauce.

6 WEST NORTH CENTRAL

Location: Freemont, NE
Association members: Leonard and Lucinda Brester
Operation: Brestwood Inn
Profile: Casual family dining
In business: 24 years
Seats: 250
Meals served: Lunch, dinner

"Business is steady," reports owner **Leonard Brester** of his restaurant located in a farming community 30 miles from Omaha. The Brestwood Inn has two dining rooms, with buffet service in one and menu service in the other. The buffet features home-style cooking, with casseroles, fried chicken, fish, and a favorite of customers—the boiled gizzards served with gravy.

The specialty on the fullservice side is a Swiss steak—breaded and smothered in a tomato sauce with vegetables. The restaurant is best known for its homemade soups and rolls.

A gift shop in the foyer of the building sells stuffed animals, bumper stickers and collectibles.

7 WEST SOUTH CENTRAL

Location: San Antonio, TX
Association members: Bill Lyons Jr., Linda Lyons, Curtis Winkler
Operation: Casa Rio Mexican Food
Profile: Restaurant serving Tex-Mex food
In business: 43 years
Seats: 300
Meals served: Lunch, dinner

Casa Rio is the oldest and largest Mexican restaurant on San Antonio's River Walk. It can be spotted by its colorful umbrellas that shade the tables on the veranda that overlooks the river. Casa Rio's prime location enables it to benefit from all the activities that take place in the immediate area, such as festivals, performances and riverboat rides. In fact, the restaurant often books boat reservations for its customers, arranging for pickup at the restaurant and catering the meal to be enjoyed en route.

Casa Rio's Tex-Mex specialties include a chile con carne made with cubed beef and pork, homemade corn tortillas using fresh *masa*, and a hot sauce made with fresh serrano peppers, tomatoes and cilantro.

The coming of a Sea World to San Antonio in 1988 has resulted in a steady growth in tourism during the summer months, but Casa Rio also relies on conventions to bring in year-round business.

8 MOUNTAIN

Location: Midway, UT
Association members: Jerry Sanders, Britt Mathwich
Operation: The Homestead
Profile: Upscale resort restaurant
In business: 3 years
Seats: 150
Meals served: Breakfast, lunch, dinner

The Homestead restaurant is part of a 60-acre resort nestled in a valley of the Wasatch Mountains, 45 miles south of Salt Lake City. The resort began as a place where people came from the nearby mining communities to soak in the mineral baths, known as "hot pots." Now visitors come not only for the thermal waters but also for skiing, golf, tennis, horseback riding, balloon rides and helicopter tours.

The restaurant complex includes a private club (where diners must be members to be served mixed drinks), a licensed restaurant (where alcoholic drinks must be mixed by customers) and five private meeting and banquet rooms. One of the private rooms—the Library—with its upholstered walls and red trim, seats only eight. All the dining rooms are clustered around a dance floor. Outside is a 40-seat deck with a view of a waterfall.

In years gone by, the resort was known for its fried chicken and mashed potatoes, a dish still featured on the menu for old times' sake. But the rack of lamb flavored with basil and Dijon mustard and served with mint au jus is more in step with the style of the present restaurant.

Owner **Jerry Sanders** says he has just enjoyed a fantastic year and that business has tripled since 1986.

9 PACIFIC

Location: Corbett, Or
Association members: Michaeline and Edward Stitch, Rhonda Holsti
Operation: Royal Chinook Inn
Profile: Midscale, casual restaurant
In business: 8 years
Seats: 150
Meals served: Breakfast, lunch, dinner

For the past 91 years there has been a restaurant of some sort on the site of the Royal Chinook Inn, 15 miles west of Portland in the Columbia River Gorge. When present owners **Edward** and **Michaeline Stitch** bought the inn, it was a tavern. They changed the emphasis and enlarged the building, adding big windows to the upstairs dining room to give diners a better view of the Columbia River below.

The inn's smoked salmon is the house specialty, and it's shipped all over the world.

The area, which has recovered from a five-year slump, is boosting business, which Stitch says has been "doubling in volume every year."

—Julie Fintel

PROTECTING THE ENVIRONMENT

Turning trash into cash

For years, workers in a Honda plant in Marysville, Ohio, watched the cardboard packaging that they removed from auto parts being picked up, combined with other trash and hauled off to a landfill. Five of those employees saw a chance to turn the cardboard into cash through recycling. They formed a group called the Waste Watchers and came up with figures that proved that the 50 tons of cardboard disposed of daily could make a tidy profit for the plant if sold instead for recycling. The workers took their plan to management, and after they worked out the details, the Waste Watchers' recycling project was okayed.

The plan proved its worth quickly. In the first 13 weeks, the recycling venture paid off $159,000 to Honda in profits and saved hauling fees. After the equipment is paid for, 90 percent of the profit will be directed to the group's department.

—Los Angeles Times

Recycling a new leaf

One man's garbage is another man's gold—or in this case—one woman's. Elli Myers of Thousand Oaks, California, has a very unusual way of disposing of her trash—she makes it into paper. Not your ordinary run-of-the-mill writing paper, but beautiful creations that she has crafted from ingredients as diverse as junk mail and geranium petals. It's not a difficult process, but one that Myers has elevated to an art form. First she cuts up the paper goods and boils them.

Then, she puts the gloppy mixture into a blender and—here's where the creativity comes in—she adds anything that she thinks will make an interesting type of paper. She has used pine needles, garlic skins, corn husks, sawdust—and once she created an especially beautiful batch with celery, carrots, parsley and onions (she was making chicken soup at the time). Myers spreads the mixture onto screens in her backyard to dry.

Although she works as a nurse, Myers has found her homemade paper to be a lucrative sideline; she displays and sells her paper at local art fairs and museums.

—Los Angeles Times

Creating beautiful ceilings

Textured ceilings, often called Hollywood or popcorn ceilings, first became popular in the 1930s in Southern California and Texas. Their rich, lustrous look has kept them popular with designers and decorators ever since. Attaining that textured look has often been expensive and time-consuming, because of the hand-brushing technique. But Ceilings Beautiful, a newly franchised company based in Ivyland, Pennsylvania, uses a spray-application technique to make the texturing process clean and quick—and inexpensive, too. Including cleanup, a 10 by 12-foot ceiling can be textured in two hours for a cost of about $200.

—Franchising World

Salad days over?

Wilting sales and high costs are two of the reasons that fast food companies are cutting back or eliminating their salad operations. The Midwestern chain of Rax Restaurants, Inc.—considered the pioneer of the fast food salad bar—is backing away from its salad bars by offering fewer items. Burger King has made its salad bars optional for franchisees and eventually wants to eliminate them completely. Some industry experts point to consumers' renewed concern for cleanliness and food safety as a major cause of the downturn in salad bars' popularity.

—The Wall Street Journal

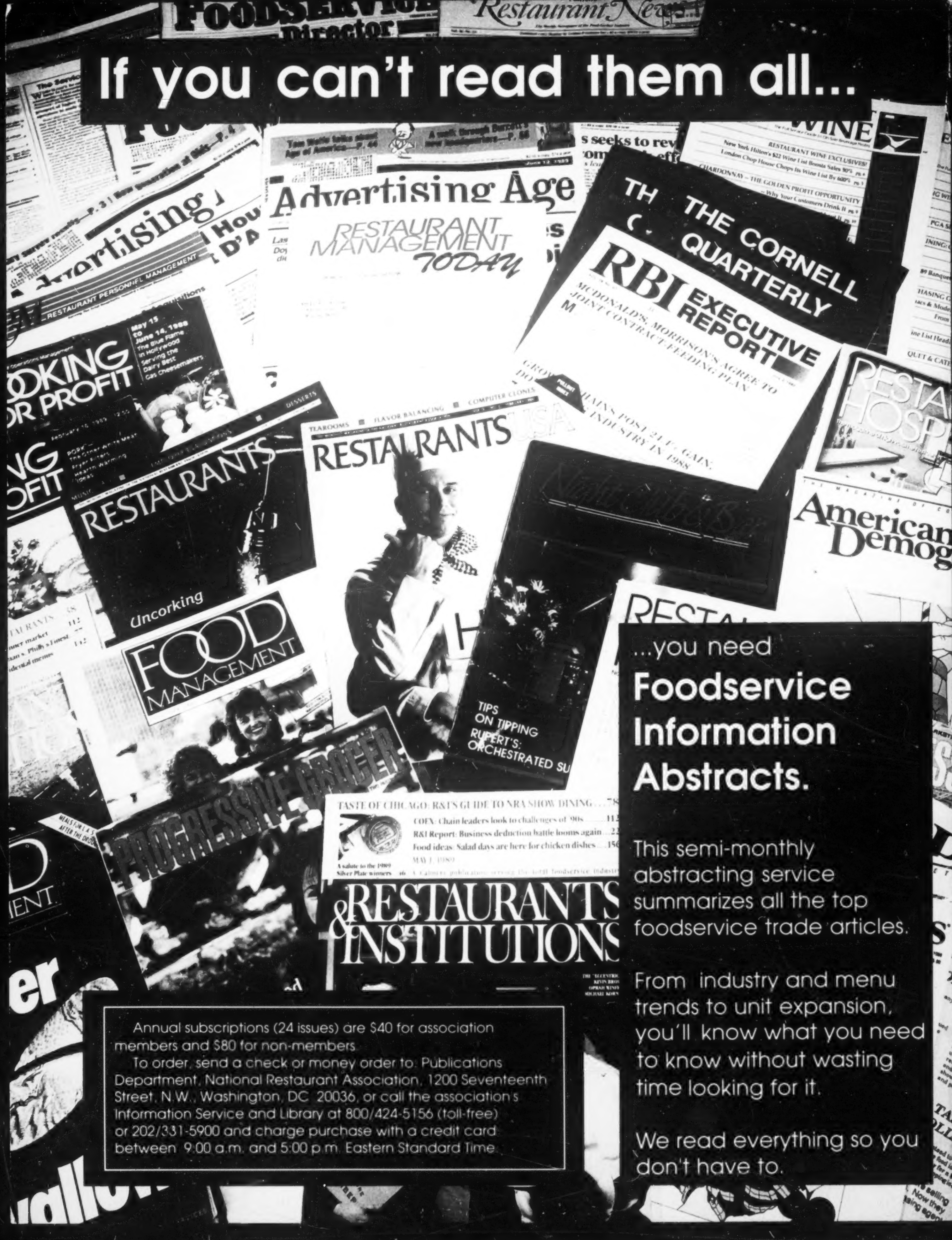
Fat under fire

In New Orleans, grease disposal is an issue that literally flew out of the frying pan and into the fire. It seems that the city that made Fat Tuesday famous is having trouble getting rid of its fat—cooking fat, that is. For 30 years, New Orleans' 1,500 restaurants have disposed of their grease by having it hauled to a suburban sewage-treatment plant. In mid-June, the plant's managers refused to accept any more of the grease, claiming that it killed the bacteria that treats the sewage.

Restaurateurs in the Big Easy faced a difficult problem—how to dispose of the 40,000 gallons of grease they collect each week from their famous fried foods. The only answer seemed to be to have the fat hauled to private landfills outside of the city, which will increase the cost of disposal from 2 cents to 9 cents a gallon.

Grease is under fire in southern California, too. About 2,500 restaurants in the South Coast basin will have to clean up their grease in order to comply with proposed air-quality legislation. The proposals call for installation of more-efficient exhaust hoods to collect pollutants (caused by burning fat) and grooved cooking griddles that allow fat to run off so it will not burn.

—The Washington Post and *Los Angeles Times*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10/4–6	Lake Tahoe, NV

Foodservice Purchasing Managers

10/4	Dallas, TX

Internal Auditors

9/19–22	Lake Tahoe, NV

Labor Relations

9/21–22	Washington, DC

Management Information Systems

10/17–22	Newport Beach, CA

Marketing Executives

10/18–20	Scottsdale, AZ

Multi-unit Architects, Engineers and Construction Officers (MAECO)

10/2–4	Dallas, TX

Quality Assurance

10/16–18	Las Vegas, NV

Tax Executives

10/4–6	Lake Tahoe, NV

For more information on specific study groups, contact: Philip Kralovec, (312) 853-2525.

The Executive Study Groups present semi-annual professional development programs for executives who would like to meet with their industry peers to share ideas and concerns. Executives in each of the aforementioned disciplines from member foodservice companies are welcome and encouraged to participate.

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RESTAURANTS USA

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PRESIDENT'S REPORT

Harris H. "Bud" Rusitzky, President
Serv-Rite Food Service and Consulting Corporation
Pittsford, New York

As Congress gets back to work after the August recess, it will almost certainly take another look at the minimum wage and other legislative issues that concern our industry. Your association, through its lobbying efforts and with your grassroots support, will continue to fight any legislation that is harmful to our industry.

Minimum wage still in limbo

Legislators are increasingly looking for other ways to help the working poor without passing a minimum-wage increase. Tax credits, primarily through a substantial expansion of the earned income tax credit (EITC), are gaining favor among more and more legislators. But proponents of a higher minimum wage still hope to convince the President to compromise on his position to veto any bill that proposes an hourly wage higher than $4.25 (to be phased in over a three-year period) and a training wage of less than six months' duration. Your association continues to oppose any increase to the minimum wage.

Section 89 update

On August 4 the U.S. Senate joined the U.S. House of Representatives in cutting off all funds to the IRS to enforce Section 89, the controversial law requiring businesses to conduct costly tests on employee-benefits plans to prove there is no discrimination. If Bush signs the new bill in September as expected, the fund cutoff will go into effect October 1. This is a step in the right direction; but your association, in conjunction with other small-business groups, will continue lobbying for repeal of Section 89, which we consider unworkable.

Revised ADA law still has problems

A revised version of the Americans with Disabilities Act (ADA), a sweeping civil-rights bill for the disabled, was unanimously approved by the Senate Labor and Human Resources Committee on August 2, and the bill has been endorsed by the White House. Although the association favors civil rights for the disabled and points with pride to the large numbers of the disabled who are employed in our industry, we are concerned that ADA's vague language and ambiguities could lead to lawsuits.

The association is taking a leading role in a coalition that is demanding technical amendments to clarify or eliminate these problems.

New publications

Two new publications and an updated version of an old standby are now available.

☐ A new 80-page manual, *How to Value Your Restaurant (CS545)*, will tell what you, your accountant and your attorney need to know to protect your most important asset—your business. Don't guess at how much your restaurant is worth—to a potential buyer, to your heirs, to the IRS. The cost of the manual is $21 for members, $45 for nonmembers.*

☐ Just out is the *Restaurant Industry Operations Report—1989 (CS959)*, a look at financial operating data of full and limited-menu tableservice restaurants, fast food operations and cafeterias. Operations are profiled by location, organizational structure, sales volume, years in business and region. This year's report is based on responses from a record number of restaurateurs, and for the first time it includes detailed information on payroll by function. The report sells for $36 to members, $72 to nonmembers.*

☐ The fourth edition of *The Legal Problem Solver*

**When ordering any publications, send a check or money order to the association's publications department in Washington DC, giving title and catalogue number. To order by phone on a credit card, call the association's information services department at 1-800-424-5156 or (202) 331-5900. Both postage and handling are now included in the publication price.*

(MG410), an easy-to-use reference tool, is designed to help restaurateurs understand the laws that are so important to their businesses. It gives the latest information on employment records and posters, magnetic media reporting and equal employment laws. Chapters have been added to cover new federal polygraph and plant-closing laws and Section 89. The revised edition also includes two new state-law supplements as well as updated summaries of state wage-and-hour laws. Members pay $24.95 for the manual; nonmembers, $34.95.*

Finding ways to combat drunk driving

Bill Latham, chairman of the association's Alcohol-Awareness Task Force, and former Task Force chairman Michael Grisanti met last month with the elected leaders of Mothers Against Drunk Driving (MADD). In frank discussions, it was acknowledged that the two organizations differ significantly on appropriate ways to combat drunk driving. All agreed, however, that it is important to define common goals and to work together toward achieving them. We will use future meetings to ask for MADD support in finding ways to deal with the use of false IDs by young people in purchasing alcohol.

The communications department has produced a brochure on drunk driving that will be distributed to high school students by the American Driver and Traffic Safety Educational Association. The brochure deals with situations that could lead to people driving while intoxicated or riding with people who are driving drunk, and it gives advice on how to handle these situations. The brochure is yet another sign of our industry's deep concern about drunk-driving fatalities in this country.

Solid-waste symposium to be held in January

It's not too early to make plans to attend the association's solid-waste symposium, to be held at Washington DC's J. W. Marriott Hotel, January 9. Last month I urged you to take an active stance and to assume leadership positions in your communities in regard to this issue, which concerns us all. This symposium will be an opportunity to educate yourself about solid-waste problems and some possible solutions.

Panelists will discuss such topics as solid-waste developments on both state and local levels, disposal alternatives and state-of-the-art and future innovations that will help restaurateurs handle solid waste. There will also be a panel discussion that will feature foodservice operators sharing their own experiences in managing this timely problem. You will be receiving registration forms in the mail, but you can also phone in your registration by calling the association's technical services department at 1-800-424-5156 or (202) 331-5900.

Welcome new members

Let me extend a warm welcome to the 68 new members who joined our association last month. We look forward to working with you. Your participation in the association's programs will strengthen both your own businesses and the industry as a whole.

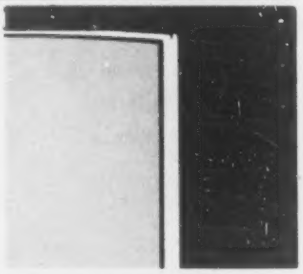
Sincerely,

Bud Rusitzky

Harris H. "Bud" Rusitzky
President and Chairman of the Board

RESTAURANTS USA

COVER STORY: VIDEO TRAINING—GETTING IT ON TAPE



12 If a picture is worth a thousand words, then a video is worth a million to restaurateurs looking for an effective training tool. Operators are using video-training programs to teach their employees everything from knife safety to suggestive selling. The reasons for this video boom? Videos are affordable, easy to use, versatile and, most important, consistent.

SPECIALS

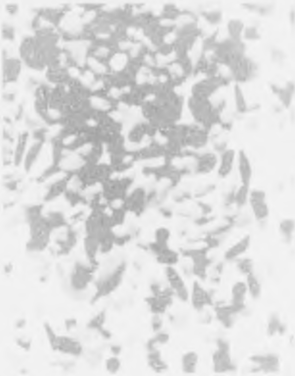
16 Reshaping training programs for retention
Investing time and energy in training programs for employees at every level pays off big in higher efficiency, improved morale and longevity.

18 Part-time professionals—a goldmine of expertise
Owners and managers are often overburdened by the many different hats they must wear, but few can afford to hire full-time professional help to fill all the slots in their operations. The restaurateurs profiled in this story have found an innovative way to lighten their workloads and add valuable expertise—by hiring part-time professionals to accomplish such specialized tasks as bookkeeping.

21 Viewpoint: We need sensible scheduling
An industry consultant claims that fast food restaurants aren't scheduling effectively for their needs and those of their hourly employees.

22 Plan now for a secure retirement
Don't miss these straightforward tips on how to invest for your retirement.

24 Timeless grains
A rich variety of lesser-known grains, such as amaranth and quinoa, are becoming popular because of their healthful and versatile qualities. Recipes show they taste good, too.



26 Employee theft—guess who's leaving with dinner
There is nothing more disheartening than the thought of employees stealing from your restaurant, but it is a fact of the business. This article presents a commonsense, step-by-step approach to controlling employee theft, with sidebars on the importance of management commitment and undercover investigations.

30 Coping with the food fright
The public's confidence in the safety of the food supply is easily shattered, even if the fear is unwarranted. By having a crisis plan in place before a food scare or food-related incident occurs, restaurateurs can defuse the panic and build customer confidence.

Cover photo by Max Hirshfeld, videotapes courtesy of the Dub Centre.

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- ☐ A haven for nonsmokers
- ☐ A giveaway to grow by
- ☐ Special enrollment period for association's group major-medical insurance
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- ☐ New publication gives tips on how to value your operation
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- ☐ How sweet it will be
- ☐ Racing to the table

A pizza salute to delivery

***For the people who deliver.* Domino's threw a pizza salute in conjunction with Los Angeles' first official "Delivery Day." More than 300 mail carriers, truck drivers, florists, messengers and other delivery workers gathered in the park at the Los Angeles Memorial Coliseum for a free lunch of Domino's new pan pizza, the first new product introduction in the company's 29-year history.**

New publication tells how to value your operation

How do you determine the value of your business? If you're selling it, it's worth whatever price the parties agree upon; but what about its value for tax or estate purposes? The Internal Revenue Service thinks it knows what your restaurant is worth. But its valuation may not be in your best interests.

A new guide to this question is now available from the National Restaurant Association. It is called "How to Value Your Restaurant." The publication addresses such topics as how valuation is achieved for such applications as estate taxes, mergers, sales, ESOPs and property settlements, among others. Methods of calculating value are given, along with important accounting and legal considerations. A sample valuation is also included. The author, Irving L. Blackman, is an attorney and a certified public accountant and senior partner of Blackman, Kallick and Bartelstein in Chicago, experts in the business of restaurant valuation and tax accounting.

To Your Health Special

Chefs go back to school to learn about nutrition

How do chefs view the challenge of adapting their cooking styles to the nutritional demands of their patrons? "It's like the difference between driving a large car and a small car. It feels strange at first, but you get used to it," explains Roland Henin, CMC, CCE. Henin, corporate chef of Truitt Brothers, Inc., in Salem, Oregon, was one of 10 recipients of the General Foods Nutrition Course Scholarship awarded to expand chefs' nutritional knowledge. General Foods offered the scholarships to culinary professionals who are in positions to effect the food selections of a large number of patrons and who can pass the information on to other culinarians. More than 200 chefs applied.

In the afternoon sessions, chefs in the program had a chance to experiment with the nutrition information they learned from a dietitian in the morning lectures.

The week-long course was held at the newly built General Foods Nutrition Center located at the Culinary Institute of America in Hyde Park, New York. The building houses a kitchen, classroom, restaurant and resource center. The curriculum included such topics as nutritional principles, recipe development, cooking fundamentals and service. On the last day of the program, participants presented a strategic plan to implement nutritional guidelines.

Hartmut Handke, CMC, executive chef of the Greenbrier (White Sulphur Springs, West Virginia) and an attendee, explains that when you use a nutritional cooking style, "you still employ the basic cooking techniques, but you have to think a bit differently and use the imagination more [to find alternatives to traditional high-calorie ingredients and to enhance flavors without salt and sugar]."

"The old days of reducing heavy cream for a sauce are gone. Americans' demands are changing and we're playing catch up,"

FRESH RASPBERRY BAVARIAN TORTE

Makes 12 servings

Ingredients:

½-inch-thick layer sponge cake, 9 inches in diameter
⅔ cup plus 6 Tbs. water
½ cup granulated sugar
⅓ cup red port
1 Tbs. plain gelatin
⅔ cup part-skim ricotta cheese
6 Tbs. maple syrup
2 tspns. vanilla extract
2 cups pureed and strained fresh raspberries*
3 egg whites
2 Tbs. white wine
1 Tbs. honey
1 tspn. kirschwasser
¼ cup heavy cream
2 Tbs. toasted cake crumbs
1 Tbs. toasted, chopped almonds

Method:

1. Make a simple syrup: Combine 6 Tbs. sugar and ⅔ cup water in a small saucepan. Bring to a boil over high heat, then remove from heat, cover pot and cool to room temperature.

2. Line a 9-inch springform pan with sponge cake. Moisten evenly with ¼ cup of syrup made in step 1. Reserve cake in refrigerator. (*Note:* Remainder of simple syrup may be refrigerated

Copies of "How to Value Your Restaurant" (CS545) may be ordered by sending a check or money order to the National Restaurant Association Publications Department, 1200 Seventeenth St. N.W., Washington DC 20036.

The cost to association members is $21; to nonmembers it is $45. This includes shipping and handling charges. All orders must be prepaid.

If you prefer to order by telephone (credit-card orders only), please call 1-800-424-5156. Visa, MasterCard, American Express and Diners Club are accepted.

A haven for nonsmokers

NO SMOKING
ON PREMISES

The sign of the times. **Many restaurants throughout the country have had to deal with the issue of smoking over the past few years. But Ron Sweeney didn't need anyone to tell him his diners' senses of taste and smell would be enhanced in smoke-free surroundings. From September 7, 1988, the day he opened Sweeney's Seafood House in Reading, Ohio, Sweeney has banned smoking from his establishment—for employees and customers. "I have not had one problem with people who wanted to smoke," says Sweeney. "As a matter of fact, it's been good for business."**

Enrollment period for association's medical insurance

As the cost of individual major-medical insurance continues to rise, more members are taking a look at the National Restaurant Association Group Major Medical Insurance Plan—a very popular and highly successful membership service.

Now, during a special enrollment period, all members and their key employees under age 65 are eligible to apply for this

claims Ronald Koetter, CEC, of Morrison's Custom Management in Birmingham, Alabama.

The interviewed chefs were unanimous in their enthusiasm for the course taught through CIA's Continuing Education Division. "I learned a lot about presentations of healthful cuisine and also how to calculate the nutrient content of a recipe on a computer. I also learned by the example of my classmates," Dennis Gillund, CEC, says enthusiastically. Gillund, an Air Force chef, adds that "nutrition is a hot subject in the military."

The course provided both theory and practice and was taught jointly by a chef and registered dietitian. "I was never bored," says Henin. "The mornings were devoted to lectures by the dietitian; and during the afternoon sessions, we'd get to apply the nutrition theory in the kitchen."

When attendees were asked to outline their plans to pass on the knowledge and skills they had gained, among the ideas they mentioned were weekly meetings to "lighten up" traditional recipes, staff training and closer working relationships with registered dietitians.

Louis Jesowshek, CEC, executive chef at Our Lady of the Lakes Regional Medical Center in Baton Rouge, Louisiana, and chairman of the American Culinary Federation (ACF) National Nutrition Projects Committee (which is designing a nutrition action plan for the federation), says he plans to include a dietitian on the committee. He is also chairman of the 1990 ACF convention, and in this capacity is planning some hands-on nutrition workshops and a category for nutrition in culinary arts salon competitions.

"Adapting nutritional cuisine is not difficult," sums up Gillund. "It's more of a mindset than anything else. It's an expansion or enhancement of the flavors of fresh foods, not a change in flavor. Once you begin experimenting, the ideas just flow."

—Claire Regan, R.D.

almost indefinitely for other use.)

3. Combine 6 Tbs. water with port wine and gelatin in a small bowl. Let gelatin absorb liquid for 3 to 4 minutes.

4. Puree yogurt, ricotta cheese, maple syrup and vanilla in blender or food processor until smooth.

5. Heat 1½ cups of raspberry puree in a small saucepan over low heat just to a simmer, or microwave for 1 minute. Add gelatin mixture to heated raspberry puree, stirring until all gelatin crystals dissolve.

6. Combine gelatin and raspberry mixture with pureed yogurt/ricotta mixture. Blend thoroughly.

7. Refrigerate for 1 to 1½ hours or until mixture mounds when dropped from a spoon. Stir occasionally as mixture chills.

8. Beat egg whites to medium peak. Add 2 Tbs. sugar and continue to beat to stiff peaks.

9. Fold egg whites into raspberry mixture and pour into lined springform pan.

10. Refrigerate at least 3 hours or until firm.

11. Combine remaining raspberry puree with white wine, honey and kirschwasser to make raspberry sauce.

12. Whip heavy cream to stiff peaks.

13. Unmold Bavarian torte. Spread whipped cream in even layer on sides of torte. Press cake crumbs and almonds on sides. Refrigerate until ready to serve.

14. Slice and place on chilled dessert plates. Pool a small amount of raspberry sauce on plates. Serve. Garnish with fresh raspberries, if desired.

Nutritional analysis:

Calories	165
Protein	4.9 gm.
Fat	4.3 gm.
Carbohydrates	26.2 gm.
Sodium	65 mg.
Cholesterol	40 mg.

**To vary the flavor, substitute strawberries, pumpkin, blackberries or blueberries.*

—St. Andrew's Cafe,
Culinary Institute of
America, 1989

comprehensive insurance plan. Coverage may also be included for spouses and unmarried dependent children up to 23 years of age.

From the onset of this plan, many members have found it to be a practical replacement for hard-to-find, reasonably priced policies purchased individually.

Applicants choose their own annual deductible—$300, $500 or $1,000. This choice allows members to decide how much they can afford to pay on their own before the insurance takes over. Of course, the higher the deductible selected, the lower the insured's premium. Once the deductible is met, the plan pays 80 percent of covered expenses. After the insured has paid $1,000 in covered out-of-pocket expenses (plus the deductible), the plan pays 100 percent for the rest of the year—up to $1 million.

Some of the many hospital and medical expenses included are hospital room and board charges, physicians' and surgeons' fees, specialized equipment use, prescription drugs, anesthesia, professional nursing care and skilled nursing-home care.

Premiums are conveniently billed quarterly.

For further details, contact the insurance administrator Albert H. Wohlers & Co., National Restaurant Association Group Insurance Plans, 1440 N. Northwest Highway, Park Ridge, Illinois 60068-1400. Or call 1-800-323-2106. Illinois residents call (312) 803-3100 (area code changes to 708 after November 11, 1989).

AAA TourBooks rate restaurants

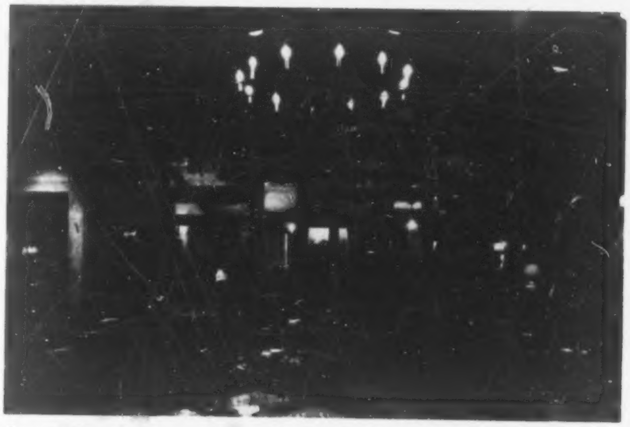
Get ready for a new group of critics. The American Automobile Association (AAA) has officially launched its diamond-rating system for restaurants this summer. By next year, the association, which represents 30 million members, plans to rate more than 6,700 dining establishments in the United States, Canada, Mexico and the Caribbean.

The ratings—ranging from one to five diamonds—will appear with the 19,600 rankings of accommodations in 24 of AAA's 25 TourBooks. Restaurant ratings for the California-Nevada TourBook and the Arizona portion of the Arizona–New Mexico guide will appear in 1991.

AAA began testing its restaurant-rating system in 1985 and has gradually phased in the program, with 3,000 restaurant ratings included in 11 regional TourBooks in 1989.

More than 50 percent of the establishments visited to date have received a two-diamond rating, 20 percent were given one diamond, 3 percent were awarded four diamonds and two-tenths of

An Italian country home in a mall



A startling juxtaposition. **At most shopping malls, restaurants serve as a stopping place for shoppers to rest and grab a quick meal during a busy day. Often the setting is sleek, and sometimes it is stark. However, at Tucci Benucch, one of the latest collaborations of the architectural firm Aumiller-Youngquist P.C. and Lettuce Entertain You Enterprises in Chicago, the atmosphere is quaint and familial. The 4,000-square-foot restaurant (equally divided between the kitchen and dining areas) has been patterned after an Italian country home, with dining areas resembling a living room, dining room, kitchen, sunroom and patio. Family portraits, handmade pottery, hanging laundry and an old red-brick oven add to the charm.**

Feature updates

☐ **Fax:** The "50-minute fax lunch" has been introduced by the Westin Hotel in Edmonton, Canada. The new lunch-reservation system offers to fax menus on Monday of each week and promises a table for the customer-designated time if the order is sent in by 10:30 a.m. on the day of the reservation. Once the customer has been seated, the restaurant guarantees the meal can be finished in 50 minutes—or lunch is on the house.

☐ **Recycling.** In Irwin, Pennsylvania, Herman Skatell switched from glass bottles to aluminum cans at The Brewery and The Sandwich Factory so he could raise charity money for child burn victims. Now when customers come in for a beer or soft drink, they get it in a can, on draught or from the fountain. He collects up to 10,000 pounds of cans a year in the locked yellow dumpster behind his operations, then sells them to Alcoa Recycling, and nets $4,000 to $6,000 annually for the local Aluminum Cans for Burned Children (ACBC) fund.

"Customers want bottles a lot, but we tell them we recycle the cans for charity," said Skatell, "and then they don't mind."

☐ **Mentors:** The fifth annual City-Meals on Wheels tribute to James Beard celebrated culinary mentors. Wolfgang Puck, for example, claims he was "merely a technician" until he began working at L'Ousteau de Banmaniere beside Raymond Thuilier, the mentor who unleashed Puck's own "passion and creativity." Most other mentors came from the United States, including Calvin Trillin, Julia Child, Albert Kumin and Joe Baum.

Chef Larry Forgione of An American Place (New York) cites the father of American cooking, James Beard, as his mentor. "He is the inspiration behind the inspiration for all of us who have found or created a unique American style all our own."

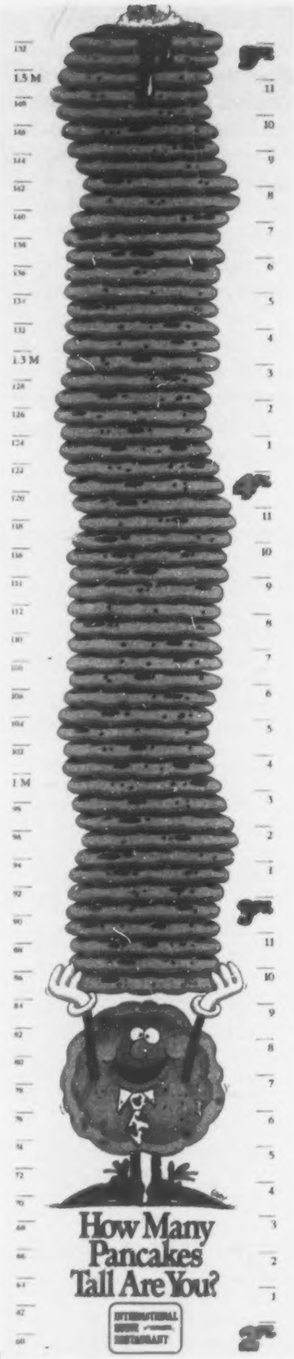
1 percent were honored with five diamonds. There are only 12 restaurants in the United States and Canada that have been singled out for their "unforgettable" five-diamond dining experience.

Thomas J. Kelly, an associate professor at Cornell University's School of Hotel Management, helped AAA develop its restaurant rating criteria, which include a comprehensive checklist filled out after an unannounced site inspection and evaluation.

AAA employs a full-time professional evaluation staff of 60 field representatives between the ages of 25 and 60, who each receive at least 400 hours of comprehensive training before rating a single restaurant or lodging establishment. In addition, field staff receive 56 hours of training each year. The evaluation staff eats 10 to 12 meals out each week. After evaluating a restaurant, AAA field representatives attempt to meet with the manager to go over problem areas that were recommended for improvement.

"We are committed to working with the restaurant industry to help it improve its service to the traveling public," says John Allerton, AAA executive vice president.

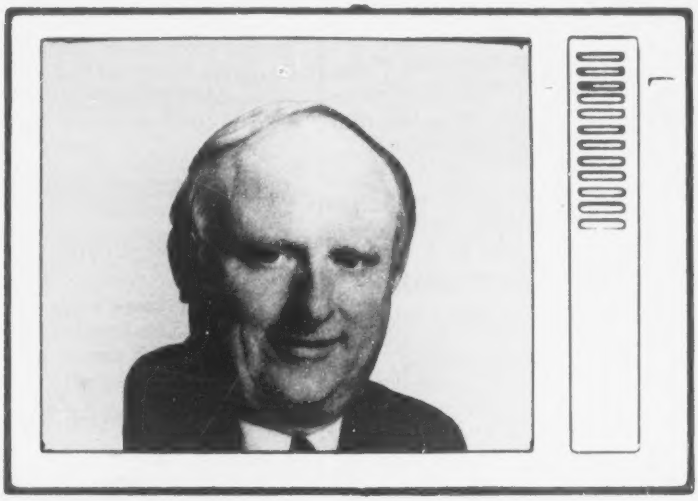
Recommendations for reviews come from AAA members, staff, clubs and the restaurants themselves.


How Many Pancakes Tall Are You?
International House of Pancakes Restaurant
5 ft
4 ft
3 ft
2 ft
1.5 M
1.3 M
1 M

A giveaway to grow by

***How many pancakes tall are you?* That's the question the International House of Pancakes has been asking its young customers for nearly a decade. But the measures have changed. The most recent growth chart features pancakes to build product recognition, says Jackie Brown, community involvement coordinator for the North Hollywood, California-based chain.**

Hurst appears on "Larry King Live"



Association Vice President Michael Hurst was a featured guest on the Cable News Network's nationally broadcast program "Larry King Live" on Tuesday evening, August 15. The hotly debated topic was tips versus service charges, with Hurst advocating the traditional system of voluntary tipping and Michael McCarty of Michael's Restaurant in Santa Monica, California, advocating service charges for waitstaff.

During the debate, which included a viewer call-in segment, Hurst said that it is the responsibility of management to motivate employees and that tipping is an important element in that motivational process. He added that an association-sponsored Gallup poll indicated that a majority of consumers prefer the tipping system as it currently stands.

The National Restaurant Association monitors the debate between tipping and service charges, but it does not take a position on the issue.

Rusitzky takes solid-waste message to states

National Restaurant Association President Harris H. "Bud" Rusitzky is taking his message about the industry's role in formulating the nation's solid-waste solution to the states. Last month he addressed the annual meeting of the Pennsylvania Restaurant Association, held in Lancaster, Pennsylvania.

"Solid-waste disposal is an immense and continually growing national problem," Rusitzky told assembled Pennsylvania operators. "Per-capita waste generation has increased over the past three decades, to the point where each American discards more than three-and-a-half pounds of material into the municipal waste stream each day."

Rusitzky added that foodservice, because of its highly visible though proportionately miniscule contribution to the problem, is suffering from negative public perception. "The most productive action we can take in response to our image problem is to assume a leadership role in finding solutions," he said. "Our industry has an easy decision to make: Either we let the problem, the activists and the government control us—or we take an active role ourselves as part of the solution."

Rusitzky called for community development of comprehensive waste-disposal plans, consisting of five methods of solid-waste management—source reduction; recycling; waste-to-energy incineration; landfilling; and education of the public, government representatives and special-interest groups.

"I cannot state strongly enough how positive it would be for our industry's image if restaurateurs were to take a leadership role in the education process," Rusitzky said. "It is good business to position ourselves as part of the solution rather than as part of the problem. By taking voluntary steps to reduce waste and to recycle, we may avoid skyrocketing disposal costs and future restrictive legislation. Just as importantly, however, our communities will feel better about our establishments when they see we are responsibly taking action for the future."

Funds cut off for Section 89 enforcement

Heartened by votes by both the House and Senate to cut off all money to the Internal Revenue Service (IRS) to enforce Section 89 nondiscrimination rules for the next fiscal year, the National Restaurant Association and other business groups are now lobbying Congress to repeal the employee-benefits law.

Although measures to reform and simplify Section 89 have already been passed by the full Senate and the House Ways and Means Committee, businesspeople across the country are now insisting that reform does not go far enough to lighten the burdens imposed by the law.

The recent House and Senate votes in favor of the funding ban encourage repeal proponents to think that an outright repeal may be possible.

The Republican members of Congress who are spearheading the repeal movement say that soon they will push for a vote on repeal.

The funding ban, which must be signed by President Bush before it becomes law, would take effect October 1, 1989—the day employers are scheduled to begin complying with Section 89.

The employee-benefits law requires employers to run a series of complex tests to see whether all em-

DC ROUNDUP

☐ **Minimum-wage bill clears Senate labor committee with almost no debate.** In a remarkably brief session on August 2, Sen. Ted Kennedy's (D-MA) Labor and Human Resources Committee rubber-stamped a minimum-wage bill that would hike the wage to $4.55 by 1992 and establish a limited 60-day training wage for first-time jobholders—the exact proposal President Bush vetoed in June.

The Democrat-heavy panel engaged in almost no discussion before passing S. 1182. Although Kennedy invited the President to work with Congress to pass a wage increase this year, Bush is apparently still holding firm to his promise to veto any legislation that would move the wage to more than $4.25 in three years.

On the House side, Democrats are holding back on introducing another minimum-wage bill, until they see whether negotiations between Congress and the White House bear any fruit.

☐ **"Sweatshops" bill released.** Reacting to a June 1989 study claiming that "sweatshops"—employers who violate multiple labor and safety laws—are a problem in the New York City restaurant and garment manufacturing industries, Rep. Charles Schumer (D-NY) introduced a bill on August 3 to sharply increase penalties against employers who violate minimum-wage, overtime and child-labor laws.

Department of Labor (DOL) inspectors are now unable to assess civil fines against violators. Schumer's bill (H.R. 3125) would allow DOL to levy fines of up to $10,000 per infraction against employers who repeatedly violate wage and hours laws. For the first time, employers with inadequate payroll and safety records could face $10,000 fines. Schumer's bill would also allow employees to sue employers for triple damages, not simply for recovery of back wages owed.

☐ **Sweeping civil-rights bill for disabled vaults first hurdle.** On August 2, the Senate Labor and Human Resources Committee unanimously approved S. 933, a bill granting disabled employees sweeping new remedies to protect them from job discrimination and requiring certain "public accommodations" to meet accessibility standards. Newly constructed or modified restaurants are covered by the bill.

Although the National Restaurant Association supports the intent of the legislation, foodservice lobbyists are wary of S. 933's employment provisions. The vague language of these provisions could open up employers to expensive lawsuits and force them to make costly equipment modifications.

The association is now alerting the White House to ambiguities and inconsistencies in the "Americans with Disabilities Act" and is lobbying Congress to make changes before the bill proceeds further.

☐ **FDA calls for advice on fast-food labeling.** Reopening an issue the foodservice industry has campaigned against for years, the U.S. Food and Drug Administration (FDA) is asking for public comments on whether restaurant chains should be forced to label the ingredients in their packaged foods.

ployees receive an equal share of benefits.

The funding ban would prohibit the IRS from conducting audits, assessing penalties or developing any binding regulations in connection with Section 89. The ban "will . . . eliminate the ability of the Internal Revenue Service to enforce what nearly every member of Congress knows to be an overly confusing and counterproductive provision of the tax code," said Sen. Dennis DeConcini (D-AZ).

The National Restaurant Association will respond, arguing that mandatory ingredient labeling is impractical, unenforceable, costly and unnecessary, especially since the foodservice industry voluntarily answers customers' requests for information.

FDA is reopening the issue as part of a comprehensive review of all food-labeling laws, one of the agency's priorities for the coming year.

☐ **TJTC extension likely.** Members of the powerful House Ways and Means Committee agreed last month to extend the Targeted Jobs Tax Credit (TJTC), the tax break for employers who hire disadvantaged workers, for another two years. The credit is due to expire at the end of 1989.

The committee also voted to expand the definition of "disadvantaged youth" to include workers between the ages of 16 and 24. For the past year, the upper age limit has been 22.

The National Restaurant Association is now pressing senators to take similar action.

—Denise Roach

#101

Management ABCs

Many business management consultants and platform speakers use specific techniques to get their points across to their audiences. One technique I use can be described as an "alphabet management" profile, where qualities, traits, values and characteristics are listed by letter of the alphabet to describe the types of ideal people you want in your organization. The flip side is a "malphabet management profile," which you hope describes your competition.

Alphabet Management

Attitude. It all starts here. Get a good one and never let it go.
Brightness. Sparkle—in both mental ability and personality.
Competence. Competence is the name of the game. Go for it!
Decisiveness. Leaders act and don't look back.
Effectiveness. Making an impact means making a difference!
Flexibility. If you can't bend, you'll snap.
Glibness. One who speaks well, sells well. You're always selling.
Honesty. Any deviation from total honesty is dishonesty.
Innovativeness. Create creativity creatively.
Judgment. Call 'em like you see 'em, but be sure you see 'em.
Knowledge. Know the business. Know the industry. Know yourself!
Loyalty. Loyalty runs down as well as up.
Methodicalness. Remember the tortoise and the hare?
Nobility. If it's the right thing to do, do it right.
Objectivity. Think with your mind, not with your heart.
Productivity. Produce productivity productively.
Quality-mindedness. This is the way to define your existence.
Resilience. No matter how hard the hit, you can come back.
Sensitivity. You're part of the world, not the center of it.
Tenacity. Develop determined dedication for the best decisions.
Understanding. Mistakes will be made, but they should not be repeated.
Vision. Seeing goes beyond "mission"; it's organizational self-actualization.
Wisdom. Cultivated intelligence is supported by experience and a sense of what's right.
Xenophilia. Openness to others is the essence of hospitality.
Yeast. The best way to rise is to keep the organization rising.
Zeal. Put your heart into your business and your business into your heart.

Malphabet Management

Arrogant. Life is to serve others, not to humble them.
Belligerent. If you're going to fight, be prepared to lose.
Crude. Vulgarity is the pits, and that's where it belongs.
Deceptive. If you lose your trustworthiness, nothing's left.
Egocentric. You can't fool those who work for you.
Fatuous. No one suffers fools very long.
Garrulous. Don't talk a lot and say nothing.
Hostile. If people grate you, you'll never be great.
Inefficient. Waste hastens—you out.
Jealous. Too bad self-improvement is subordinate to covetousness.
Klutzy. Insensitivity breeds contempt.
Lazy. Remember the hare and the tortoise?
Malevolent. One who is destructive cultivates destructiveness.
Negligent. If you overlook standards, you'll be overrun.
Oppressive. Do you really think you're here to hold back others?
Petty. Pettiness is an anchor on progress.
Quarrelsome. Arguments usually shed more heat than light.
Resentful. Life can be unfair, but everyone gets his/her share of unfairness.
Spiteful. An eye for an eye makes you both half-blind.
Temperamental. Others will brood if you have changing moods.
Uncertain. Indecision reflects insecurity.
Vindictive. Revenge is not becoming; it's debasing.
Wailing. Crying doesn't solve the problem.
Xenophobic. If you don't like people, there's always Mt. Everest.
Yahoo. We can all stand a little more polish and sophistication.
Zany. There is a difference between being "off the plan" and being "off the wall."

Fisher's Law #101: Pay attention to your management ABCs.

Year of the Employee

VIDEO TRAINING

Videos are becoming a leading medium for initiating employees into the foodservice business.

GETTING IT ON TAPE

by Mary Follin

Scene 1, take 2. . . .
Waitress: Hi! (Hands customer the appetizers list.) What can I get you to drink while you look over the appetizers menu?
Customer: I think I'll have an iced tea.
Waitress: Sure! You might want to try our mini-egg rolls. They go great with iced tea.
Customer: That does sound good. Maybe I'll give them a try.

Is this an excerpt from a new movie? Not exactly. The dialogue comes from a medium that is making its niche in the restaurant-training business—videotape.

Why videos?

"Video images are extremely powerful," says Larry Fidel, director of educational programs for The Educational Foundation of the National Restaurant Association. "Critical points can be conveyed in a short period of time. Also, the high quality of most videotapes offers a tremendous advantage for those people who do not have professional trainers on staff."

Linda Nolan, director of human resources at The Westin Hotel, Tabor Center, Denver, credits her company's use of video during a mass hiring five years ago with the hotel's high-quality staff and low turnover rates. "People learn in different ways," Nolan maintains. "Personally, I really need to see something to learn it. If somebody tells me something, it may be hard to visualize exactly what they mean. What we see on videotape are real situations that actually could occur . . . which makes them easier to remember."

Training with video

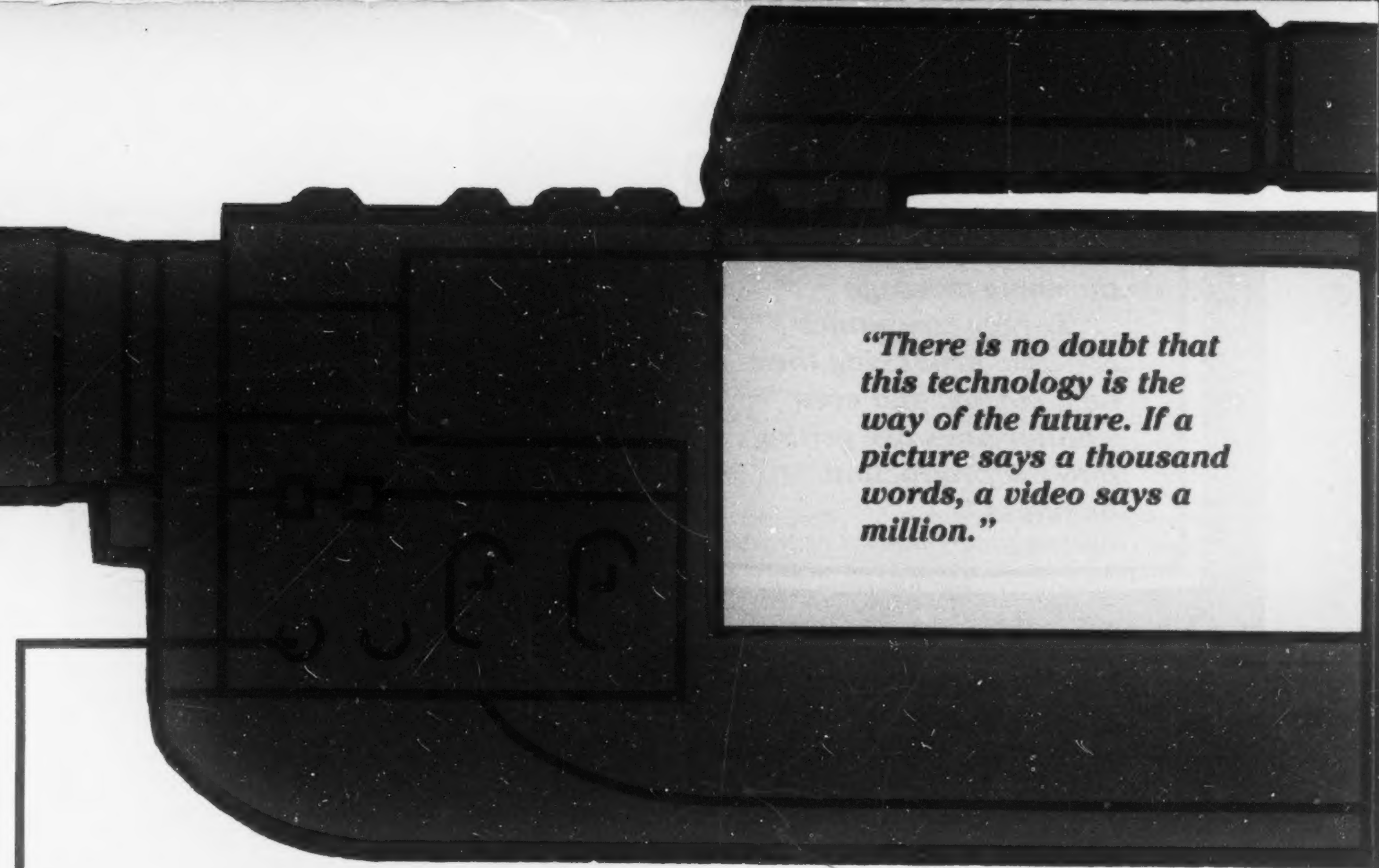
Once hired, most restaurant employees go through a rigorous but brief training sequence. Operators and managers want to help their new employees become productive members of the staff as quickly as possible. Traditionally, this has been accomplished by having new-hires shadow experienced employees. Although effective, this system lacks consistency; and within the short time span of an introduction, new employees miss the opportunity to experience a variety of potential situations.

"Video is quick-hitting and shows each trainee the same message," comments Fidel. "When we first began researching video, the need was there but video was not widely used. It has since gained a good deal of recognition. Larger companies are now producing their own videos, and even smaller ones are getting into the production business."

The association's educational foundation offers a wide variety of training videos for both the front and back of the house (see sidebar). These videos—like many others in the field—are designed not to be a total training program but rather a supplement to the establishment's own training agenda.

Audience participation is crucial

Mary Follin is a freelance writer in Falls Church, Virginia.



"There is no doubt that this technology is the way of the future. If a picture says a thousand words, a video says a million."

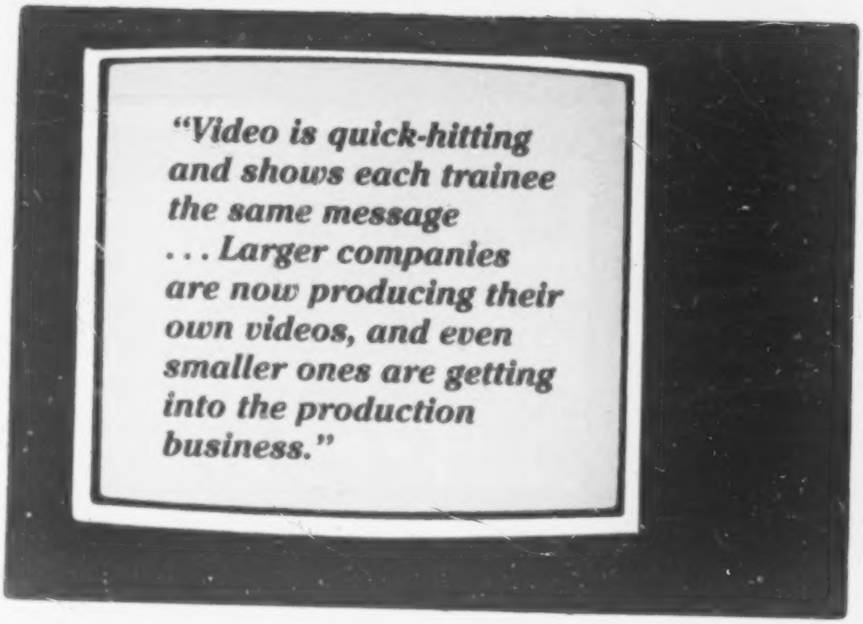
for the success of a video-training program. Sometimes that participation begins before the video is even produced. "More Cash In Your Pocket" is a suggestive-selling video for waiters produced by Penguin Productions in Denver. Penguin Productions was the outgrowth of training videos originally created by a group of independent restaurateurs for their own use. According to Jim Sullivan, president of Penguin Productions, "More Cash In Your Pocket" was designed and produced by waiters, waitresses and bartenders—and speaks directly to them.

"The program has got to be for the end-user, not for managers and supervisors," Sullivan states. "Employees do the acting because professional actors simply don't speak the language. We present information in a lively, quick manner; and we reinforce fundamentals with graphics." Brevity is key, according to Sullivan. He laughs, "The mind will tolerate what the rearend can stand!"

This formula proves to be successful, according to Marty DeRito, training director of Stuart Anderson's Black Angus Restaurants, headquartered in Newport Beach, California. Each Black Angus store has at least one copy of "More Cash In Your Pocket."

"We show it to all newly hired waiters and waitresses," explains DeRito. "It has a good message to deliver, and it is well-produced. As a result of the video training, I see more friendliness in our waiters, and they offer services in a more professional manner. I often notice the waitstaff using techniques suggested in the video."

Technique appears to be what is lacking among most waitstaffs—not ability, says the Professional Waiter School Training Videos of Encino, California. "A great waiter is a standard of service," president Gary Penn



"Video is quick-hitting and shows each trainee the same message . . . Larger companies are now producing their own videos, and even smaller ones are getting into the production business."

explains. "People should then be trained to meet the standard." Penn believes that video is an excellent way to consistently illustrate the standards employees are expected to meet.

That is why the school has produced a series of tapes that deal with such common situations as what to do with six or seven tables at a time, how to respond to a customer who insists he's right even though he's wrong, and the difference between showing a "happy face" to the customer versus bringing problems to the table.

The training video reminds the waiter that the standard in the restaurant is that the customer is always right.

"The tapes have worked wonders," says Marcia Walsh, owner of the Holding Company Restaurant and The Jamestown Hotel in San Francisco. Walsh recently purchased "The Rush" from the Professional Waiter School. "I have walked through the dining room and heard waiters using key suggestions from the tape." Cash receipts have improved, particularly for appetizers, wine and liquor. "What's nice about the tape is that the staff can all sit down and watch it together," she adds. "It is humorous and keeps their attention—much better than the usual staff meeting! I plan to periodically repeat the tapes for the regular staff. We all slip into old niches and need reminders."

Nick Rondoletto, assistant manager at the Holding Company, says he learned a lot from the "The Rush." "The tape reminded me not to panic," says Rondoletto. "It taught me to use my resources. Now I go ahead and sell the appetizers even though I'm busy; I just ask the hostess to bring them to the table."

Not for waitstaff only

Tips for waiting tables appear to be the most common application for video training, because waiters are on the front line and ultimately have a significant effect on revenue. However, there are many tapes available for training employees in other positions as well. There are tapes on motivating managers, choosing wines, storing food and training pastry chefs in upscale restaurants. The variety of tapes is limited only by the specific operational requirements.

Ponderosa Incorporated in Dayton, Ohio, has been using videos for several years for station skills, such as "How to Cook a Steak." In 1987 the company purchased video playback equipment and a complete library of tapes for each unit. The video materials follow the same format as the company's written training manual.

Making your own

Suppose a restaurateur feels his training needs are too specialized to take advantage of off-the-shelf videotapes? How feasible is it to consider producing a tape that meets the needs of one's own establishment?

"Don't be intimidated by the high cost of video," reassures John Zoulas, corporate supervisor of training and development for Westin Hotels and Resorts. Zoulas developed Westin's video-training program. "An independent owner can pick up a camera and player and make a tape for a little over a thousand dollars." Zoulas adds

Videos from The Educational Foundation

The Educational Foundation of the National Restaurant Association currently offers four video-training programs to meet restaurant-training needs. Perfect for busy operators and managers, these tapes reduce planning and development time and can be used to supplement or boost training programs. Each videotape includes a professionally produced videocassette tape, an easy-to-use leader's guide and course materials. The video-training tapes can be purchased separately or at a discounted package price.

☐ **Waitstaff training (4 tapes).** This series covers the essentials of providing good service. Topics include greeting the customer and taking the order, maintaining professional service throughout the meal, perfecting suggestive selling skills and working together as a team.

☐ **Back-of-the-house training (3 tapes).** This series follows the flow of food from the loading dock through preparation and to the customer's table—focusing on each point where bacteria could infect food.

☐ **Wine-training series (3 tapes).** This three-part series focuses on the important aspects of creating or reinforcing a successful wine-sales program. Topics include wine-list development, wine-list goals, merchandising techniques, wine-selling skills and an overview of international wine regions.

☐ **Commodity information series (1 tape).** Co-produced with the United Fresh Fruit and Vegetable Association, the first of this series, "Producing Profits: Buying, Receiving and Storing Fresh Fruits and Vegetables," illustrates how to select high-quality produce. Examples of proper produce delivery check procedures and instructions on how to properly handle and store different varieties are among the topics covered.

that by using one's own restaurant and employees, the video becomes much more realistic. "Don't look for Academy Award performances; just look for people to do their jobs," he advises, "and you'll see how well it works."

Zoulas also suggests combining resources with several noncompeting restaurants that have similar orientations. If all participants are dedicated to customer satisfaction, coming to agreement on standards should be relatively easy to do. A big budget is not a prerequisite for creating an effective video. Larry Fidel recommends that a step-by-step guide be developed to accompany the video so that the trainer can generate discussion and reinforce key points.

Jim Sullivan of Penguin Productions has these preparation suggestions for restaurateurs interested in producing their own tapes:

★*First, write a script.* "Ninety percent of the time should be devoted to the script. Every word should be scripted, read aloud and critiqued by the staff. As effective as videos are, they are expensive to update and revise, so it is important to get it right the first time."

★*Next, storyboard the script.* Draw pictures scene by scene, and match words with pictures. "When it's time to shoot, there should be no questions about where Tim should sit, or should Cindy enter from the left or the right. The lights are hot, and people tire easily," he says.

★*Stop for one week.* At this point, let managers, supervisors, waiters and waitresses assess the validity of the scenarios. A common mistake is to write for the eye instead of the ear; the conversation should sound natural instead of reading like an English composition.

"When it's finally time to shoot—if all of the up-front work has been done properly—everyone will know what to do," says Sullivan.

Another pointer to keep in mind when creating the tape is to keep it as short and entertaining as possible while still relaying the message. "But be careful with humor," he warns, "there are many different senses of humor, and the tape must not be offensive."

For operators who feel less than confident about their video-producing skills, Sullivan suggests contacting a local university to solicit inexpensive—or even free—assistance. "Communications students are often eager to take on video projects," he says.

One company that put Sullivan's advice into practice is Foodservices Management Association (FMA) in Pittsburgh. FMA owns seven restaurants of varying types, and chose a customized route when the generic offerings did not meet its specialized needs. According to Barry LaBounty, manager of sales training, FMA developed a video on knife safety to be viewed by trainees in the front and the back of the house.

"The video makes employees aware of the correct safety procedures and appropriate use for each type of knife," LaBounty explains. "Since using the tape, we have noticed less damage to knives and less need for replacement." The script was written and acted by the organization's executive research chef, and took about four and a half hours to shoot. According to LaBounty, the video worked so well that FMA is now putting together a video to train the waitstaff in each of its stores.

"Video reinforces a lot of points we put across," says Joe DeMartino, FMA vice president. "There is no doubt that this technology is the way of the future. If a picture says a thousand words, a video says a million."❑

Prescreening with video

One relatively new concept implemented by several organizations involves using video scenarios to test the decisionmaking capabilities of potential employees.

John Zoulas, corporate supervisor of training and development for Westin Hotels and Resorts, spearheaded the effort to create prescreening videos to be used by Westin Hotels around the country. Zoulas says that before video, Westin had no single screening process. A job applicant filled out an application, had an initial interview and was hired on the basis of each individual interviewer's standards. With this system, hiring a qualified employee was often a matter of luck.

"We need a hiring edge, especially in guest-contact positions," explains Zoulas. "It was hard to tell if the judgment factor was really there when interviewing an applicant. We felt we needed a more standard test to make this call." So Zoulas explored available options and concluded that video would add both accuracy and consistency to Westin's prescreening process.

Next came the development of the video test. "We initially realized that we could not make a video test for each position," says Zoulas, "but we did discover that guest-contact positions have a lot of commonalities." The company devised a list of what Zoulas termed "guest-relations principles": courtesy to guests, response to guests' needs, guest integrity, good judgment, teamwork and selling services. They then created video scenarios that illustrated all six principles.

"For example, a guest dissatisfied with his meal may be complaining loudly," Zoulas explains. "After viewing the tape, the applicant would be required to answer a multiple-choice question about how to properly handle the situation. By using video, the applicant is able to feel the emotion and tension of a situation more than with paper and pencil." Because the video test closely simulates the environmental situation the applicant will experience on the job, not only can the employer assess the applicant, the applicant can also determine whether or not the job is right for him or her. This helps to reduce turnover due to false expectations.

After a certain number of employees were hired on the basis of test results (in conjunction with other criteria), Westin conducted a validation study. Employees were rated by supervisors on the same skills for which they were tested, and matching results were quite high. "We were able to validate tests for 11 out of 16 positions," contends Zoulas. "We feel quite good about the results. Of course, validation is a never-ending process, because the workforce is constantly changing."

RESHAPING TRAINING PROGRAMS FOR RETENTION

by Kathy Boyle

Whether it is simple review of napkin-folding skills at a weekly crew meeting or a seminar to enhance a manager's motivation-building skills, companies are coming to recognize the link between training and retention. "Ultimately, there is a high correlation between employee training methods and the employee retention rate," notes David C. Miles, director of training and development for Food and Services Management, Marriott Corporation headquartered in Bethesda, Maryland. "When you invest time in your employees, they feel good and recognize the company's commitment to them."

"In general, people like to feel they know how to do what they are being asked to do," adds Miles. "Training gives employees the satisfaction of feeling qualified and adept at what they do. It could just be the assurance of knowing what ingredients are used in cooking a low-cholesterol item. Or it could be training in how to use Lotus 1-2-3. Either way, the payback is usually a happier customer."

Training for service: a new concern

Perhaps nowhere is the need for retraining more important than for service, which has become the benchmark for customer satisfaction. In fact, some operators are designing their own programs to communicate their distinctive styles to employees. "We did a lot of research into other companies' programs, and we looked at packaged programs, but we could not find what we wanted," says Carol Eicher, director of human resources at The Lodge of the Four Seasons, Lake of the Ozarks, Missouri.

With almost 1,000 employees at the Lodge's 2,600 acres, which include a hotel and seven restaurants, Eicher wanted a program that could be adapted to the Lodge's many different types of employees. "We wanted something that would put us at the leading edge of service, would be consistent, yet not false or robotic. We wanted people to have a natural way of greeting guests."

"What we came up with is a program that develops personal responsibility for every minute of a guest's stay or experience. Employees learn how to handle a conversation [with a guest], anticipate the guests' needs and make guests feel comfortable and relaxed," reports Eicher.

The progam consists of eight training modules, each including a skills lesson with practice, role playing, sharing and observation. "We decided to mix groups from various departments and let people develop situations that fit their positions. For example, the gardening staff uses situations that are appropriate to them. In this way, as the groups practice on their co-workers, they benefit from a greater understanding of each other's jobs," says Eicher.

Probably the greatest reason for Eicher's success, however, is top management's commitment to the program. Everyone on the property took the course—every executive, every manager and every hourly em-

Kathy Boyle is a freelance writer in Rockville, Maryland.

ployee. The idea was that everyone, even those working behind the scenes, had something to learn about service. According to Eicher, her human-resources staff benefited as well. "They learned who their customers were—their fellow employees."

But Eicher is mindful that service is not something you can force anyone to learn. "You have to sell it on the benefit to the individual. An employee must get some benefit, too, either through monetary benefits, such as larger tips, or through personal development. For example, a shy person can come to recognize that he/she can meet new people, use the new skills socially or with co-workers, enjoy less stress and be happier on the job."

New approaches for management training

More and more companies are balancing classroom instruction with on-site training. Ponderosa made the changeover from a training center to a teaching/working training program 18 months ago. Its four-and-a-half-week course, called "Steakhouse Training and Education Program," combines basic restaurant-management skills and specific Ponderosa systems, says Mary B. Connolly, director of organization design and development for Ponderosa Incorporated in Dayton, Ohio.

During the course, the trainee is assigned to one of four training centers. The first six days are in the classroom, the next five days are in a restaurant where the trainee can practice skills. The next eight days are back in class to learn the management side of the business, and the last six days are in the restaurant, managing six complete shifts. "We find that people coming out of this format get up and going faster," says Connolly. "By doing a better job, we find we retain people longer."

At Marriott, new management trainees begin an "individual development program," which is a self-paced course designed to be completed in five to six weeks. The trainees are assigned a coach or mentor on site to work with them if they have questions. Then at the end of the six weeks, formal classroom training begins so the trainees can go over such skills as hiring, coaching, counseling and disciplining workers. In the classroom, they also get an opportunity to learn the company's philosophy and culture.

Even more important for retention efforts, foodservice companies are enhancing training for current managers. "I would estimate we had 50 meetings on possibly 20 different management topics over the last year through our management development program," recalls Connolly of Ponderosa. "These meetings are aimed at specific skills, such as recruitment or scheduling, and they are held within the district level (which may include 30 to 35 restaurants)."

"We try to hold one new major program a year for senior staff, focusing on one management skill," adds Connolly. "We ask in advance, 'What are your development needs?' For these meetings, we involve the field managers and corporate staff. Recently, we held one of these seminars on situational leadership—putting increased focus on development of subordinates."

Similarly, Marriott holds programs for its district managers on topics such as negotiations, communications, financial training, leadership training and human-resources management. "These usually run two or three days each," says Miles. "Often the trainer is the vice president in charge of that area of expertise. Also, we hold a number of other seminars upon request, on an ad hoc basis. For example, we have held meetings on time management, stress management, motivation and team building, as the need is identified."

Working with culinary schools

As another way to retain valuable employees, some companies have designed prestigious cooperative education classes with prominent schools. For example, the Marriott Food and Services Management recently set up two programs for enhanced training in conjunction with the Culinary Institute of America (CIA) in Hyde Park, New York. One program, called "quality contributor program," is designed as a skills-enhancement course for managers and nonexecutive cooking staff. Some 30 students attend the intensive, five-day program held on the school's campus. Because students are recommended for the course, there is a sense of prestige in attending.

For kitchen staff with more experience, Marriott developed an "executive chef" program. This is also a five-day program at CIA, and it, too, is by invitation only. "These people feel good to be one of the participants," says Miles. "They really feel Marriott's commitment to train them."

Teaming up with vendors

Some companies are able to utilize vendors for specialized training. "We are kicking off a brand new program with our vendors," says Miles of Marriott. "We call it 'Catering Expo.' Under the program, we bring together a number of our vendors in a convention-like setting, and we rotate our people through a number of booths where vendors explain different aspects of catering, such as napkin-folding, flower arranging, decorating and ice sculpting. We also plan to have our own booths with trainers to teach managers how to cost out a catering event and how to work with a client."

Keep asking for input

Certainly no training program can be up to date without feedback. A formal needs-assessment survey can unearth training shortcomings. "Recently, we conducted a formal training needs assessment of our unit managers and district managers to let them identify where the high needs in training are and where we should focus our time at headquarters," notes Miles.

At the same time, some companies have identified improved communications with the newly hired employee as a real need. Some companies follow up with newly hired employees, such as through phone calls to their homes to ask them how the job is going and to reassure them that they are important to the company.

As the shortage of available employees grows, restaurateurs realize that it is more important than ever to keep the ones already on the payroll. ☐

Year of the Employee

PART-TIME PROFESSIONALS

A GOLDMINE OF EXPERTISE

At a time when most foodservice operators find themselves scrambling for personnel, some innovative restaurateurs are solving employment problems, boosting sales and running smoother operations by tapping into a goldmine of expertise—part-time professional help.

by Dorothy Dee

Marketing directors. Sales representatives. Personnel managers. Controllers. Financial analysts. These are some of the professional restaurant slots now being filled by part-time professionals. Although there is no single predictor of the number of part-time professional employees working in the United States today, the Bureau of Labor Statistics estimates that there were almost 20 million part-time employees in 1988, roughly 17 percent of the total workforce and 18 percent more than existed in 1980. More than 13 million (68 percent) of these workers were women, and more than half of those women were in the child-bearing and child-raising years of 20 to 44.

Connie Houston, director of membership services for the Association of Part-Time Professionals (APTP)* in McLean, Virginia, says, "I definitely see this as a trend. From the information we have received from the Department of Labor and employers, there will be a growing need for part-time professionals or for more flexible hours [among existing staff], because there will be fewer younger people entering the workforce in the 90s."

There are many benefits

Employers, including restaurateurs, can benefit tremendously by accepting the challenge of restructuring their organizations around a few highly skilled part-time professionals. Salary savings, lower retraining and overtime costs, increased productivity, improved employee morale, lower turnover rates and heightened company image are some of the many benefits of hiring part-time professionals.

Bill Main, co-owner of the 250-seat

Dorothy Dee is a freelance writer in Bethesda, Maryland.

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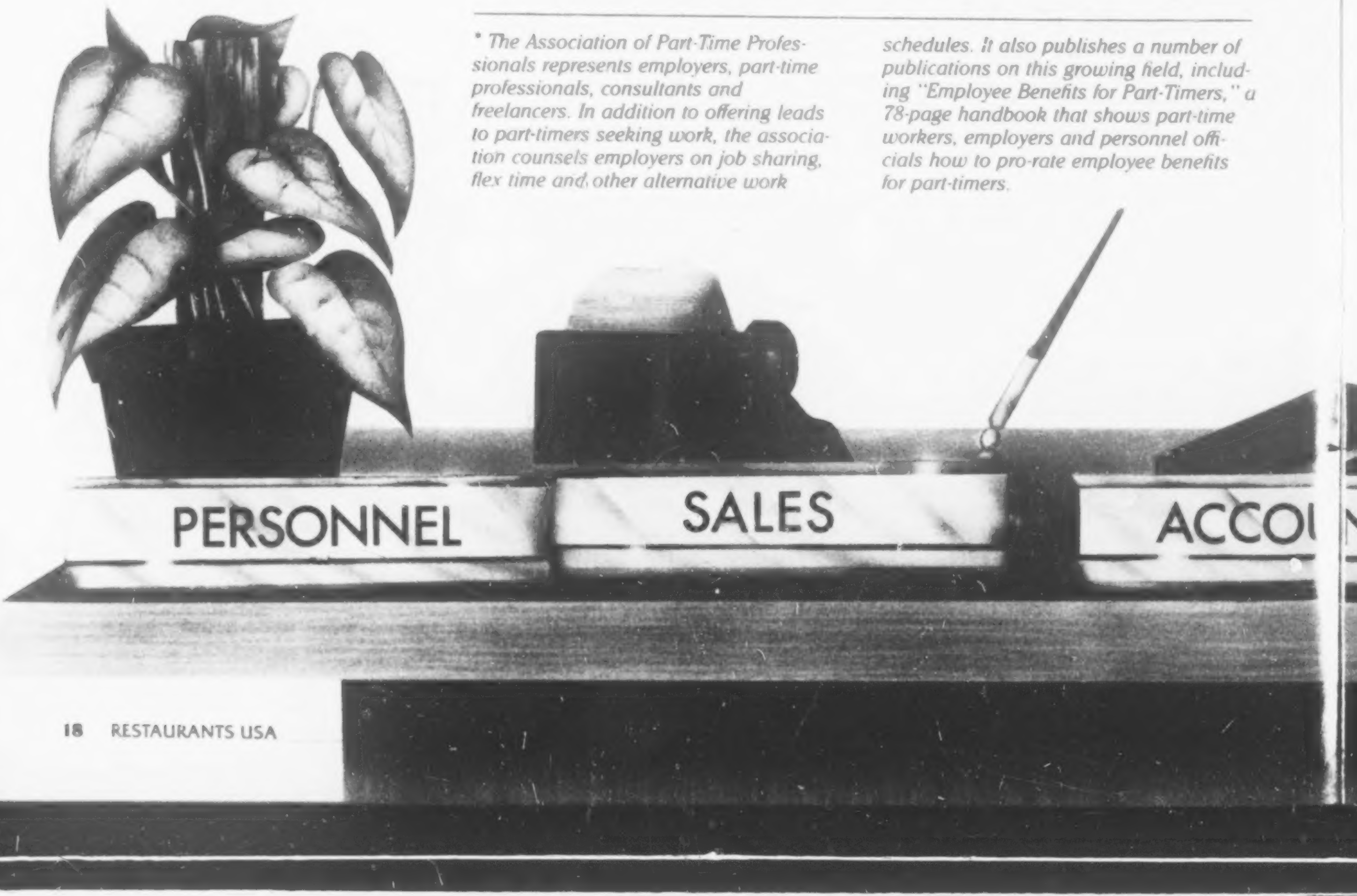
* *The Association of Part-Time Professionals represents employers, part-time professionals, consultants and freelancers. In addition to offering leads to part-timers seeking work, the association counsels employers on job sharing, flex time and other alternative work schedules. It also publishes a number of publications on this growing field, including "Employee Benefits for Part-Timers," a 78-page handbook that shows part-time workers, employers and personnel officials how to pro-rate employee benefits for part-timers.*



The Shore Bird Restaurant in Half Moon Bay, California, and a strong proponent of using part-time professionals, says, "Having professional people that stick with you over a number of years enhances the restaurant culture of your organization—the attitude and philosophy that your restaurant portrays to its customers and employees. When you have high-caliber people working for you, you project a much better image."

All businesses may find part-time professionals useful at peak working periods or cyclical crises—times when overtime hours might normally be required—such as when the payroll is disbursed, when financial statements are due and at the end of the fiscal year or accounting period. Others may want to hire a part-time professional to launch or promote a new service. Still others may have the need for ongoing part-time services.

A team of five part-time professionals

In his continental seafood restaurant about 25 miles south of San Francisco, Bill Main has been using part-time professionals for almost seven years. Professional part-timers currently function as the restaurant's assistant director of marketing, director of personnel, assistant controller and financial analyst.

The part-time assistant director of marketing handles special-events banquets and catering and the publication of all promotional pieces. Her hours are tailored to fit the requirements of the project and her schedule, but for the two and a half years she has been on the job, they have usually been four hours each day (often 9 a.m. to 1 p.m. or 11 a.m. to 3 p.m.).

The part-time director of personnel, who has been with the Shore Bird for one year, works 9 a.m. to 3 p.m., five days a week. She maintains all employee records, conducts applicant pre-screenings, checks references, orients new hires and makes sure that the company is fulfilling all legal requirements.

The part-time assistant controller, who has been with the company for six years, handles the preparation of biweekly payroll, financial statements, cash disbursements and the general ledger. She works three eight hour shifts each week.

The part-time financial analyst audits financial statements, performs financial feasibility analyses and controls the budget and cash flow for projects. She normally works 24 to 36 hours a week, usually Monday through Friday from 9 a.m. to 3 p.m. or 8 a.m. to 2 p.m. She has held this position for two years. For the five preceding years she was the company's full-time controller.

Help with music, human resources

Jo Policastro, co-owner of the Maltese Grill, a 225-seat establishment in San Francisco's financial district, has used part-time professionals since the restaurant opened one and a half years ago. In addition to hiring a number of independent contractors for projects like writing newsletters and menu copy, Policastro employs both a music director and a human-resources person on a part-time basis.

The music director, a licensed talent agent/manager, has more than 10 years of experience in the music business. She books musicians for banquets and the restaurant's popular piano bar. She works three full days a week, usually totalling 25 to 30 hours, and has been on the job since the restaurant opened. Because she is also a licensed life-insurance broker, she performs other functions at the restaurant as well, such as administering the company's health plan and processing claims.

When the human-resources position was first filled at the Maltese Grill a year ago, the incumbent agreed to work 10 hours a month, usually in three half-day increments. Today, she typically works two full days a week, managing human resources for the grill's 40 to 50 employees. From time to time she is also called on to assist the general manager and occasionally stands in for Policastro herself.

Independent contractors versus part-time employees

Independent contractors are typically used for assignments that are sporadic or periodic in nature, where daily or weekly contact with an employee does not seem necessary. Some examples include writers who prepare newsletters, designers who produce menus and marketers who promote one specific advertising campaign.

The advantage of using an independent contractor is that the employer is not responsible for any of the costs associated with employment such as withholding of federal, state and city income tax, the withholding of FICA tax or the payment of unemployment and workers'-compensation insurance.

ITING
ANALYST
MARKETING

A neighborhood marketing team

Some operators hire part-time professionals for off-site work. American Restaurant Marketing Group, a consulting firm in West Palm Beach, Florida, advocates the use of part-time marketing representatives to engage in a technique known as neighborhood marketing. These part-time marketing representatives—often housewives with civic leadership experience and some advertising or promotional background—promote the establishment in a designated radius around the restaurant by contacting local businesses, charities and schools and by setting up cross-promotions and fund-raisers. The consulting firm's CEO, Tom Feltenstein, estimates that a neighborhood marketing rep earning $6 to $7 an hour and working 30 hours a week for one to three stores could generate an additional 3 to 5 percent in sales. He conservatively projects that there are 10,000 people doing neighborhood marketing for individual and multiple-unit restaurants across the United States.

What's in it for the restaurant?

☐ *Highly skilled workers are secured at a much lower cost.* Part-time workers typically earn less than their full-time counterparts. While no official measurement exists for part-time professional personnel, the Bureau of Labor Statistics says that for the first quarter of 1989 the median weekly earnings for part-time workers was $108 whereas the median for full-time workers was $397. According to Bill Main, co-owner of the Shore Bird in Half Moon Bay, California, "If you give them (part-time professionals) flex time and job sharing and half of a full-time schedule, you can get the benefit of some highly qualified people."

Most part-time professionals at the Shore Bird earn between $10 and $15 an hour, depending on their skills and job responsibilities.

☐ *Valuable employees are retained, resulting in reduced turnover and lower retraining and state unemployment-insurance costs.* Employees who can no longer work full time because of family, school or other responsibilities or interests may be willing to work part time. If the positions are challenging and the hours are flexible, part-timers are more likely to stay with the company. According to Main, converting full-timers to part-timers can save a restaurant a bundle in state unemployment insurance. For example, the Shore Bird's state unemployment-insurance rate is consistently below 1 percent, compared to a state industry average for restaurants between 3 and 5 percent. This difference, a savings of $20,000 to $30,000 in state unemployment-insurance costs, has more than paid for the director of personnel's salary.

☐ *Increased productivity.* Part-time professionals with ample free time for personal responsibilities are more focused employees, because they do not attend to personal matters on the job.

☐ *Improved employee morale and lower overtime costs.* Part-time professionals lessen the workload for full-time staff, reducing stress and the need for overtime.

Employee benefits for part-time professionals

Although employers are not yet legally required to offer employees any benefits (the proposed mandated health bill before Congress may change this), employers find that an attractive benefits package is increasingly necessary to lure both part-time and full-time employees. According to APTP's Connie Houston, benefits packages for part-timers are increasingly becoming more individualistic. "As employers begin to recognize the need for flexible work options, they are adjusting their thinking with regard to benefits," she says. "More companies are offering benefits on a prorated basis."

Key factors for success

Although hiring part-timers can prove to be a marriage made in heaven, a successful relationship involves trust, time to grow and flexibility. Employees must be able to juggle their personal schedules when an on-the-job crisis occurs. Similarly, employers must have the flexibility to accept work-schedule changes to suit the demands of an employee's personal life.

From the employer's point of view, control is an equally important element. The employer must clearly specify tasks to be accomplished and have an estimate of the time required to fulfill each task. This requires a job description that is task-specific, such as specifying how many hours it should take to compile the general ledger or take care of payroll.

"If you can position them (part-time professionals) in a job description that they are highly qualified to fulfill and can clearly state your expectation of how much time you want the job to take, you minimize the amount of hours that people are on your clock not producing for you," says the Maltese Grill's Policastro.

But you should allow a specified period of time for the relationship to develop and bear fruit. As Patrick Terhune, president of the American Restaurant Marketing Group, tells his clients considering using neighborhood marketing reps, "This is not the type of program you can accomplish in one or two weeks."

How to find part-time professional help

Your current staff may well prove to be the best resource for part-time professional help. (1) Find out what special skills your employees may have and don't be afraid to test those skills on a trial basis. (2) Ask your exiting employees who can no longer work full time if they are interested in part-time work. (3) Encourage your employees to provide leads. Try putting a note on the bulletin board in the employee lunchroom or include a payroll stuffer soliciting leads for part-time professionals experienced in a certain area and offer a cash incentive to the employee whose lead gets offered the job.

Classified ads in local newspapers can quickly bring a repository of qualified job applicants, as can contacting local colleges and senior-citizens' centers. Students are often eager for work/study situations that can give them on-the-job experience, and highly skilled retirees may welcome the supplementary income and new challenges.

Finally, don't be afraid to ask your business contacts and friends to recommend qualified part-time professionals.

VIEWPOINT

WE NEED SENSIBLE SCHEDULING

by Lewis C. Forrest, Jr.

Part-time help may not be the best solution for your hourly staff needs, argues this consultant.

In recent months, our industry has focused sharply on the shortage of foodservice employees as we come out of the baby-boom era. Operators must practice more effective human-resources management to find and retain better employees. Contrary to popular belief, the most basic ingredient in retaining employees is not wages or benefits. I contend that it is *sensible scheduling*.

I fail to understand why some restaurant employees have to arrive at work at a different time every day. I also fail to understand why so many positions in our business have to be part-time, especially when employees are begging for more hours. Granted, nobody likes to pay overtime rates; but does that mean that employees have to be scheduled for just 20 to 30 hours per week to protect the manager from accidentally picking up some overtime?

My youngest son works for a fast-service restaurant operated by a successful organization that is open every day from 6 a.m. until 10 p.m. He not only is scheduled to go in at a different time almost every day, but he also gets off at different times. Some of his friends have told me that they quit their restaurant jobs because they just could not get enough hours. Meanwhile, the restaurants in question are running ads for more part-time employees. It beats me how this is management of resources.

When I visited the restaurant where my son works, the manager was complaining that he was two people short for that shift. I know that the regular pay in the restaurant is $3.45 per hour and that this manager often schedules employees to come in for only three hours a day. Is it worth getting ready to go to work for $10.35 before taxes? These young workers would probably clear about $8.75. At that rate, it's easy for them to justify not coming in, particularly when they are between 16 and 18 years old and still living at home. The manager had created his own problem and was blaming it on the employees.

That night I suggested to my son that he talk to the manager and offer to work full 8-hour shifts to make scheduling easier. The manager thanked him and said he would see what he could do. When the next schedule was posted, my son was scheduled for 11 a.m. to 5 p.m. on Monday and Tuesday, 2 p.m. to 5 p.m. on Wednesday, off on Thursday, noon to 6 p.m. on Friday, off on Saturday, and from 2 p.m. to 5 p.m. on Sunday, for a total of 24 hours.

There is just no excuse for this approach to scheduling people. The manager has not been trained to schedule for efficiency and effectiveness. He has merely been taught how to fill out and post a form. The only labor cost control at work in this situation is people not showing up for work. Because he covers their shifts, the unit's labor cost is within or below budget. The manager earns his bonus and his employees are looking for somewhere else to work.

I know this restaurant is not atypical. Last week I went to the local state employment office to see what jobs might be available. I was specifically looking for foodservice jobs that promised 40 hours per week or something close to that. There were hundreds of foodservice listings on the microfilm, but almost all of them advertised part-time positions with wages between $3.35 and $3.75. More than half of them specified experience was required. Why would anybody who was hard-working, loyal, dependable and *experienced* take a part-time job with no guarantee of hours for such wages? What is the appeal of these jobs? No wonder we have labor turnover and labor shortage problems in our industry. And I predict that it will get worse—much worse—unless we start practicing sensible scheduling.

We cannot survive the labor market of the 1990s with this approach. The best way to keep an employee happy is to keep him/her busy . . . not overscheduled, but consistently getting a week's work and a week's pay. ❑

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PLAN NOW FOR A SECURE RETIREMENT

In order to properly prepare for retirement, you need a plan. You should analyze your current status and future expectations. Ask yourself these questions: What will my expenses be after retirement? What income will I have coming from Social Security, employee benefits and other investments? How much more will I need to save to insure a comfortable retirement?

by Fred J. Shuster

One of life's goals for most people is a comfortable retirement, free from financial worries. But to be able to fully enjoy your golden years, you need to accumulate sufficient funds for retirement.

You will probably need 75 to 80 percent of your annual pre-retirement income to maintain your standard of living once you retire. Social Security and most pension plans combined usually provide less than half that amount. And that situation is expected to worsen in the future.

Many people believe the Social Security system is in serious trouble. The average age of Americans is increasing rapidly. The growth in the over-50 age group has outpaced the growth of the entire population in the past three decades. According to SRI International in Menlo Park, California, the 50-plus age group represented 24 percent of the total population in 1950, compared to 26 percent in 1985 and a projected 28 percent in the year 2000. When the time comes for all the baby-boomers to retire, who will support the overburdened Social Security system?

Faced with these facts, many peo-

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ple may feel insecure about their retirement years. But there's really no need to panic if you're willing to plan and take advantage of tax-deferred and tax-free opportunities. Here are a few ideas you may want to consider.

Start a retirement plan

As a restaurateur, you may own your business and, like any business owner, you have the opportunity to fashion a retirement plan to fit your needs. Start a retirement plan at your business if you don't already have one.

You will be pleasantly surprised to learn that self-employed retirement plans are less costly and less intimidating than you might think. Furthermore, the amount of money you can set aside and allow to grow over the years—tax-deferred—can amount to substantial sums.

What does "tax-deferred" mean? Simply put, you make an agreement with Uncle Sam that he won't tax your earnings as long as you don't access your money. This tax compounding means that compared to a traditional taxable investment, not only does your money make money, but the money you otherwise would have paid out in taxes also continues to make money. Those of you who have IRAs have been enjoying this tax-deferral all along.

To put the importance of tax-deferral into perspective, here's an example: Let's assume that you are in the 28 percent tax bracket and that you make one contribution of $10,000, which earns an average return of 9 percent. Over 10 years, in a taxable savings account, the $10,000 would grow to $18,736 after taxes. In a tax-deferred plan, the same amount would grow to $23,673. The difference—$4,937—is almost half of the original principal.

Over 20 years, the difference is even more dramatic—$35,104 in taxable savings versus $56,044 in the retirement plan. Here, the difference is $20,940—more than double the original principal. Thus, the longer you keep money in the account, the greater the value of tax-deferred compounding. These numbers illustrate only one contribution. Obviously, if you are making annual contributions to your retirement plan, the tax-deferred growth over your working lifetime can be substantial.

All self-employed retirement plans allow for this tax-deferred growth of the money invested in the plan. But which type of plan is best for your business? You should consult a fullservice financial professional about choosing a qualified retirement plan, because these plans come in all shapes and sizes, and determining which plan best suits you requires a thorough review of your business and your objectives.

One of the easiest, cheapest and most flexible retirement plans available for small businesses is the *simplified employee pension* (SEP-IRA). Essentially all you do is establish individual retirement accounts (IRAs) for employees who qualify for the plan, and contribute to those IRAs based on a percentage of the employees' compensation.

A SEP-IRA has many advantages over other plans for small businesses. It requires far less paperwork and reporting, it is inexpensive to administer and it does not require IRS filings. At PaineWebber, for example, SEP-IRAs are charged a one-time set-up fee of $25 and annual maintenance fees of $25 for each employee's IRA. These fees can be debited from each IRA.

Other suggestions for preparing for a secure retirement:

☐ **Contribute to your IRA.** Although much has been written about the effects of the Tax Reform Act of 1986 on IRAs, many people don't realize that the IRA is still an excellent retirement-savings vehicle. Anyone who contributes to an IRA, whether deductible or not, will continue to reap the significant benefit of tax-deferred growth of funds. You should still continue to fund your IRA and to take advantage of tax-deferred growth, and you should view your IRA as an important *supplement* to your retirement income.

☐ **Explore other investment options.** You should use other tax-deferred and tax-free investments together with, or sometimes in lieu of, an IRA. Some excellent choices for retirement-savings purposes are:

•*Annuities* are insurance contracts that act much like your IRA. Although your money grows tax-deferred, you are subject to IRS penalties if you access your money before age 59½. You get no current tax deduction for an annuity purchase. Unlike an IRA, you are not limited to a $2,000 per year purchase. In fact, most annuities have a minimum requirement of $5,000.

There are two basic types of annuities—fixed and variable. In a fixed annuity, you are absolutely guaranteed a certain rate of interest for a certain period of time. The insurance company takes the risk. A variable annuity, however, returns to you whatever the money makes or loses. You take the market risk. If you make the investment selection in a variable annuity, you can usually change that selection. For younger people with more time until retirement, a conservatively invested variable annuity might make more sense than a fixed annuity. On the risk/reward spectrum, you are likely to do better over time by taking low risk (variable annuity) than no risk (fixed annuity).

•*Municipal bonds* are issued by states and municipalities, and their interest is federally tax-free and, in some cases, also state and locally tax-free. While generally considered safe, some "munis" have lower credit ratings than others, so careful selection is warranted.

Some munis carry municipal-bond insurance, which absolutely guarantees you your interest and principal, even if the issuer defaults. Since these carry no default risk, you will sacrifice some yield. Municipal bonds are popular with investors who are middle-aged and older, who have a high net worth and who desire to minimize their overall tax liability.

Finally, always remember the cardinal rule of investing: diversification! While tax-deferred and tax-free opportunities are appropriate retirement-planning strategies, be sure to also include in your investments some exposure to stocks, bonds and real estate. Hard as we try, no one can predict the future, and you have to be prepared for whatever economic, business or investment climate awaits you. ❑

TIMELESS GRAINS

by Toni Tipton

After centuries as feed for birds and animals, seeds such as quinoa and amaranth are finding an increasingly significant place in a healthier American diet.

The so-called "new grains" are not really new at all; neither is oat bran. But in the American quest for better health, oat bran was delivered from the barnyard to the breakfast table. And, likewise, the new grains may be liberated from the bird cage.

Although vegetarians and health-food enthusiasts long have known of the virtues of whole grains—experimenting with them as a means of achieving an alternative source of complete protein—most others considered them best suited for horse and bird feed.

That may be changing.

Ethnic cuisines have paved the way for widespread interest in whole-grain cookery—familiarizing partakers with couscous, *arborio* rice, polenta and bulgur. And today, as more and more Americans proceed from good taste to good health, a fascination with ancient forms of fiber—including such "new grains" as amaranth, quinoa and triticale—has begun to develop.

According to Food Marketing Institute's annual nationwide shopper survey, "Trends/Consumer Attitude and the Supermarket—1989," Americans have grown increasingly aware of the correlation between good nutrition and good health and have undertaken a variety of behaviors to ensure that their diets are healthful. This includes eating more fruits and vegetables and more fiber, the report states.

The survey reported that 76 percent of the American shoppers queried indicated that nutrition was a very important factor when they purchased food—up 4 percent in 1988.

The American Cancer Society, the U.S. Department of Agriculture in its "Dietary Guidelines for Americans," and the National Cancer Institute all have emphasized a high-fiber diet. They point to a low incidence of cancer and other degenerative diseases in populations where this type of diet is maintained.

One of the most widely emphasized ways to increase intake of dietary fiber from what specialists in the field say is the current average adult intake of 11 grains per day to the recommended 25 to 30 grams is to add whole grains—products that contain the entire grain or as much of it as is edible—to the diet. That's where the new grains come in.

Although there is an assortment of familiar whole grains available in supermarkets—whole wheat, cracked wheat, bulgur, oats, whole cornmeal, popcorn, brown rice, whole rye and barley—some health-watchers are turning to the local health-food store or the health-food section of the supermarkets for supplies of unusual whole grains.

Triticale, quinoa (pronounced keen-wah), millet and amaranth are just a few of the equally versatile and delicious whole grains that have begun appearing on shelves next to the barley, bulgur and buckwheat as well as in recipe books.

Triticale is a hybrid grain, the offspring of wheat and rye. Its kernels are larger than those of either parent and they retain their crunch even after soaking and cooking. Triticale can be purchased flaked, or as flour.

Quinoa, a tan-colored, birdseed-like grain, is popular for its high protein and calcium content. It is high in the amino acid lysine, which most other whole grains lack, making it a complete source of protein. Quinoa seeds have a distinctive flavor upon cooking, and the grain is excellent in savory dishes. Because of a natural coating called saponin, quinoa requires thorough rinsing before cooking.

Millet is probably the most familiar of the new grains. In this country it is used as the basis of birdseed mixtures. In Ethiopia, however, millet flour is made into a spongy, crepelike meal accompaniment—*injera*. This, fine-textured grain has a long shelf life and an endless array of uses, from pilaf to stuffing to salads. Use millet anywhere rice can be used as an ingredient. It may even be toasted before being added to recipes.

KASHI-STUFFED CORNISH HENS

Makes 4 servings

Ingredients:

1 cup Kashi (commercial combination of grains, not kasha)
1 lb. Italian turkey sausage, casings removed
1 medium onion, chopped
1½ cups chopped celery
1 (10-oz.) package frozen chopped spinach, thawed and drained
Salt, pepper
¼ tspn. dried marjoram
¼ tspn. dried thyme
⅛ tspn. dried sage
4 Cornish hens

Method:

Heat nonstick skillet or saucepan over medium heat and cook and stir Kashi until dry, about 3 minutes. Add 1½ cups water and cook over medium heat, 20 minutes.

Meanwhile, in separate skillet, brown sausage over medium heat. Add onion and cook until onion is transparent. Add celery and cook 3 minutes. Add cooked Kashi, spinach, ½ teaspoon salt, ¼ teaspoon pepper, marjoram, thyme and sage. Stir to mix well. Season hen cavities with salt and pepper. Stuff with Kashi mixture, reserving leftover Kashi for serving time, then season outside of hens to taste with salt and pepper. Bake at 350° F. 1 hour and 10 minutes or until hens are done. Heat reserved Kashi and serve with hens.

Note: May use Kashi to stuff 8 hens instead, if desired.

The only real newcomer to the group is a commercial product, Kashi, a combination of seven whole grains and sesame. It is found in supermarkets where cereals and grains are sold. It is available in puffed form for eating out of hand, or as a cold cereal, or in its original state as a pilaf that can be cooked and eaten as cereal or mixed with other ingredients in savory dishes.

MILLET PAELLA

Makes 10 to 12 servings

Ingredients:

2 cups millet
1 Tbs. oil
1 medium onion, chopped
2 cloves garlic
6 cups chicken broth
3 tomatoes, chopped
1 cup frozen peas, thawed
½ lb. large shrimp, peeled and deveined
½ lb. turkey smoked sausage, sliced
2 cups julienned cooked turkey or chicken breast
Salt
1 cup chopped cilantro
2 Tbs. lemon juice
Sliced green onions

Method:

Heat large nonstick Dutch oven and add millet. Cook and stir over medium heat until millet is lightly browned.

In separate pan, heat oil and saute onion and garlic until tender. Add to millet along with broth and cook, covered, 30 minutes. Add tomatoes, peas, shrimp, sausage, turkey and salt to taste. Cook until heated through and shrimp are done. Sprinkle with cilantro, lemon juice and green onions before serving.

These and the other whole grains are basically seeds that are eaten whole or are sprouted, cooked, milled, cracked, rolled or ground into flakes. They are highly nutritious, excellent sources of protein, carbohydrates, some B vitamins, Vitamin E, magnesium and zinc.

In their whole form, these grains have three major portions. Most contain a dry, rough outer covering—the husk or hull. Located just under the husk is the bran, a darker outer layer that serves as a protective coating. The region toward one end of the kernel is the germ, which contains most of the oil, vitamins and minerals needed for growth of the new plant. The lighter, larger, starchy inner portion of the kernel is called the endosperm. This is the region used for making flour.

In health-food stores, whole grains can be purchased in most forms.

As whole berries, kernels or groats, the grains have been husked only and take longer to cook than processed grains—about twice as long. They should be soaked before cooking. After cooking, they can be added to savory ingredients or sprinkled over salads. They don't cook into a soft cereal and are best reserved for other uses.

Bran is the ground husk of a berry and is usually available from either wheat or oats. Its primary feature is its high fiber content, although some protein, vitamins and minerals may be present. While wheat bran is too tough to cook into a cereal, it is ideal for baking into muffins, breads or bagels. Oat bran, however, cooks quite nicely into a hot breakfast cereal.

Whole grains that are labeled "cracked" have undergone a grinding with steel blades or millstones that cuts them into several small, rough pieces. Unlike bulgur, they have not been precooked. But cracking the kernels makes them cook more quickly than they would as berries. The bran and germ may, occasionally, be left intact. Cracked rye and wheat are made from whole grains. Others such as barley grits and hominy grits are polished first, then cracked.

Meals, and milled or ground whole grains, are commercially known as ground flour. Since the bran and germ layers do not break down as readily as the endosperm during processing, they are easily separated from the powdered endosperm—a process known as refinement. The powdered endosperm is sold as flour.

Though whole grains, vegetables and fruits provide different kinds of fiber—each with a different protective function—they do have one thing in common. They contain materials that are either not digestible or only partially digestible by the human body and, therefore, help move other foods and byproducts of digestion out of the body. This is believed to help reduce risk for colon cancer, heart disease, diabetes, diverticulosis and constipation.

But the importance of reducing risk for these diseases appears to pale compared to the value placed on water-soluble fiber and its role in lowering blood cholesterol and risk for cardiovascular disease. ❑

Toni Tipton is a staff writer for the ***Los Angeles Times.***

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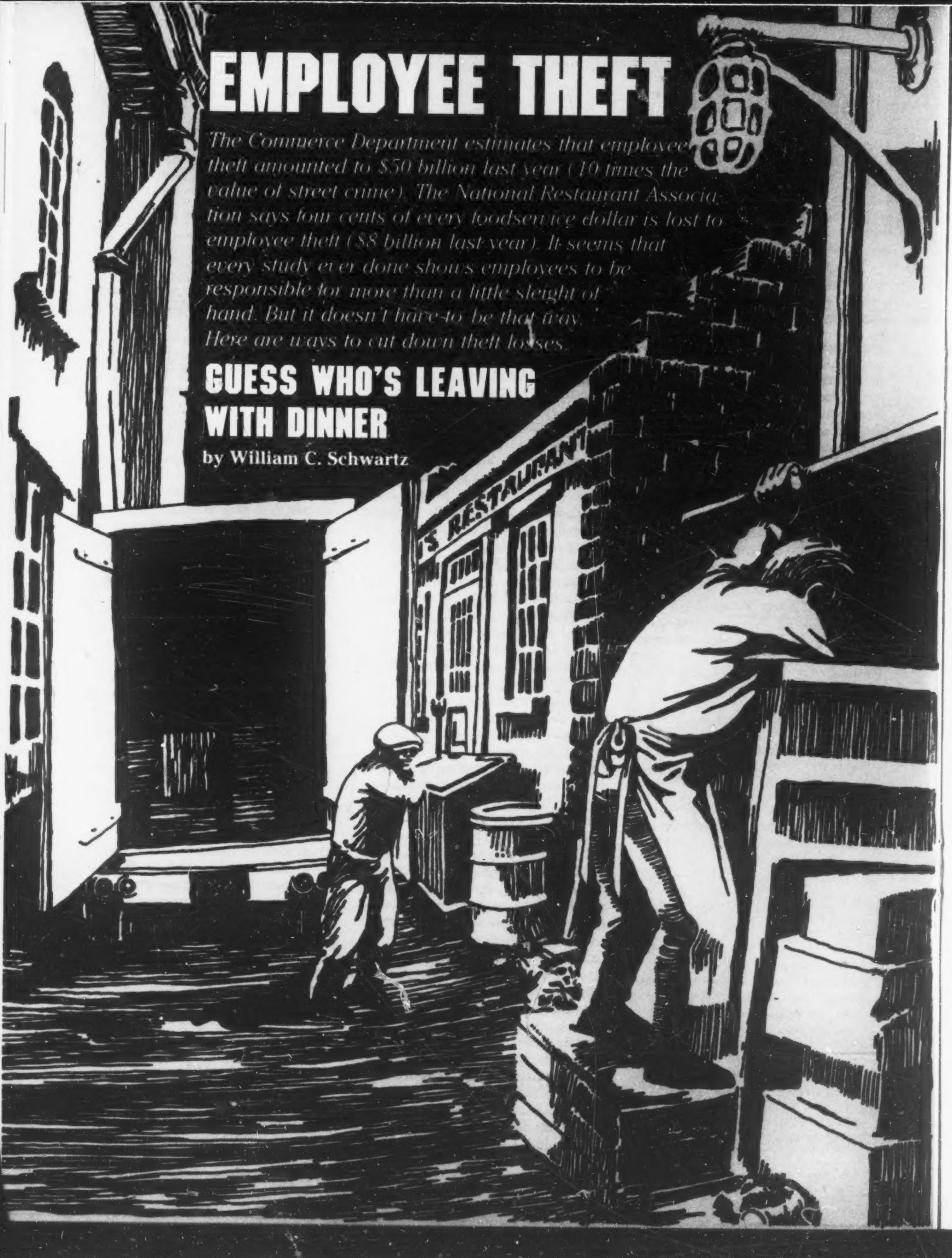
EMPLOYEE THEFT

The Commerce Department estimates that employee theft amounted to $50 billion last year (10 times the value of street crime). The National Restaurant Association says four cents of every foodservice dollar is lost to employee theft ($8 billion last year). It seems that every study ever done shows employees to be responsible for more than a little sleight of hand. But it doesn't have to be that way. Here are ways to cut down theft losses.

GUESS WHO'S LEAVING WITH DINNER

by William C. Schwartz



Everybody has war stories. There's the famous bartender-BYO story. The great foodserver ticket scam. The whole-Cure-81-ham-in-the-garbage-bag routine. And yes, the prep cook who didn't get enough to eat for lunch, so he ate some of everyone else's order.

Attempted solutions to fix the problem have run the gamut from wholesale crew purges and paid informers to "don't steal" signs and retina scanners on the liquor-room door.

Despite such measures, theft is still prevalent, and the best way to reduce it to a negligible level may be to dissect the problem into smaller categories and to develop strategies for each type of theft. Although this article focuses on the theft of food, the approach suggested here can be adapted for liquor, cash and other forms of theft as well.

Chronic food theft

Many operators focus on employees who steal cases of food at a time, but far more is lost a little at a time. Like a nagging backache, which a doctor would call chronic pain, consistent loss of small amounts of food can be just as devastating to the bottom line. We call this type of loss chronic employee theft. Employees involved in this type of theft are generally not criminals. In fact, they may not even be aware that they are stealing.

A case in point is nibbling. Consider the prep cook who eats one shrimp of every 10 he preps for shrimp cocktails, or the line cook who nibbles all day long. Even more impressive, consider the manager who "tests" five or six pieces of bacon in the morning to be sure the bacon is properly cooked! If every employee nibbled just one pound of food each day, an operation with 25 employees would lose more than 9,000 pounds of food a year! If you implement a *"no-nibbling" policy*, all employees (including cooks and managers) will be forced to eat their meals away from the kitchen. This policy is easy to police, since anyone whose mouth is moving (and who is not talking) is suspect.

Another reason for chronic theft is purchasing practices that make it easy to steal. If an operator purchases 2-ounce packages of coffee, it is unlikely that a manager would notice a few "purse packs" of coffee in an employee's pocket. A 50-pound bag of whole-bean coffee, on the other hand, would be difficult to conceal.

Always consider the theft potential of prepackaged foods as part of the purchasing decision; *avoid purchasing foods in small packages.*

Perhaps the most effective approach to cutting down chronic theft is to *restrict access to high-cost items.* While it may not be possible to lock the entire walk-in during operating hours, it is probably possible to place the meats and other expensive items in locked rabbit cages inside the walk-in.

Frequent inventories of key items can act as a deterrent to chronic theft. If your employees know food is counted every day or at least weekly, they are likely to think twice about taking food, since it will be missed. In fact, if you keep inventories as low as possible, any theft becomes obvious rapidly.

Finally, *keep track of key foods.* By comparing the amount of any key item used (actual usage) against the amount of that item that should have been used (ideal usage), you can implement tight controls.* Computerized inventory systems can be very helpful in this regard.

Acute food theft

Unlike chronic theft, acute theft involves the removal (without permission) of large quantities of food. This type of theft, while not as financially significant as the chronic variety, is potentially more dangerous. Individuals who participate in this type of theft are motivated criminals. Some are motivated by money, while others are motivated by the excitement and status they derive from crime.

Studies have shown that most stolen goods leave the premises through the back door, traveling in garbage bags, backpacks, laundry baskets and coat pockets or blatantly occupying their original containers. The majority of this type of theft occurs during peak operating hours—during the lunch and dinner rushes. The rest typically occurs prior to opening or after closing.

Many of those who steal large quantities of foods enjoy telling their friends about the challenges and the high degree of intelligence it required. The danger to the operator comes from the potential of a chain reaction—when one thief becomes two, three or four thieves. The technical term for this phenomenon is collusion, and it can result in devastating losses.

Collusion does not restrict itself to employees. A rather common form of collusion occurs between employees and purveyors or truck drivers. This practice is especially injurious, because in many cases the goods are not stolen from the operation. Instead, they are simply never delivered. The invoice, received and signed by one of the criminals, reflects quantities higher than those delivered by the accomplice. The difference between these quantities generally remains on the truck, awaiting subsequent sale and a split of the proceeds.

Controlling acute theft requires a combination of checks and balances, restricted access, frequent inventories, close supervision and covert operations.

The primary objective of checks and balances is to eliminate the possibility of collusion. One example is to require the person who places the order to be different than the person who receives the goods. The receiving clerk should compare what arrives against the purchase order, not the invoice. Boxes should be opened, goods removed and items weighed or counted. This means taking the

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**The Educational Foundation of the National Restaurant Association offers a seminar entitled "food-cost management," which deals with the actual versus ideal approach to usage control.*

'S RESTAURANT

Studies have shown that most stolen goods leave the premises through the back door.

chicken out of the ice, counting the number of trays in the egg cases, and weighing volume items like bags of milk on occasion, just to see if they all weigh the same amounts. Be thorough. Be unpredictable. Compare the price charged for goods against the price quoted. Adjust the invoice rather than accept credit memos.

Along the same lines, the person who receives the goods should not be assigned to take inventory. In fact, *inventories should involve both nonkitchen and kitchen staff* to make collusion more difficult.

Special attention should be paid to the back door, which should be locked at all times. Since fire codes usually prevent the actual padlocking of this door, you can add a fire bar with an alarm. The back door should only be unlocked for the receipt of deliveries and the removal of trash. Otherwise, employees should use the front door or some other entrance when coming or going.

Frequent inventories also help reduce acute theft, especially since the theft of large quantities would be immediately obvious. It is important that the individuals taking the inventory be trustworthy, because the easiest time to steal is during an inventory. Placing high-potential-theft items in difficult-to-reach locations can also reduce the possibility of unscheduled transfers.

There is no good substitute for su-

Theft control requires management commitment

Why is there so much employee theft in restaurants? There are two key reasons, says Jack Henry, a private consultant with the Crime Prevention Council in Washington DC, who conducts surveys throughout the United States. One is management's failure to admit that its restaurant is having a theft problem. Second, and more important, is management's lack of knowledge about how theft occurs and the measures needed to prevent its occurrence.

No establishment is less susceptible to theft than any other. Nor does an employee's position have any bearing on the likelihood that he or she will steal. Thieves can be managers, bookkeepers, cashiers, servers, cooks. Recognizing not only who steals but also how a theft occurs is vital to theft reduction in your restaurant.

In studies conducted by the London House, Inc., a firm in Park Ridge, Illinois, that develops psychological testing for businesses and governments, researchers have found that most honest people will not steal unless three conditions are met: (1) desperate financial need, "can't make the bills again this month because of inflation," (2) the ability to rationalize that theft is okay and (3) a risk-free opportunity.

Become familiar with your employees' situations and recognize the warning signs. Look for employees arriving early and staying late or those who seem to hang around or have an excessive interest in managers' schedules.

Employees often justify their stealing as a form of protest against management. For example, a cocktail waitress in Knoxville, Tennessee, resorted to petty thievery as a way of "equalizing" the tip-pool situation at the restaurant. She believed it was unfair that a portion of her tips went to busboys and hostesses—even though she believed the cocktail waitresses didn't benefit from their services.

You need a theft policy

Effective loss prevention requires a serious commitment—from top management down to the supervisors—and the establishing of internal control procedures.

A good place to start is to spell out your theft policy clearly in your employee manual, outlining the expectations and the consequences. Bill Main, co-owner of the Shore Bird restaurant in Half Moon Bay, California, tells his employees what is stealing and what is not. "If it isn't in writing, it's not stealing," he says. For example, he specifies that giving away a free drink is stealing, as is unauthorized snacking, signing out late, reselling drinks or food "mistakes" and taking home leftovers in a doggie bag.

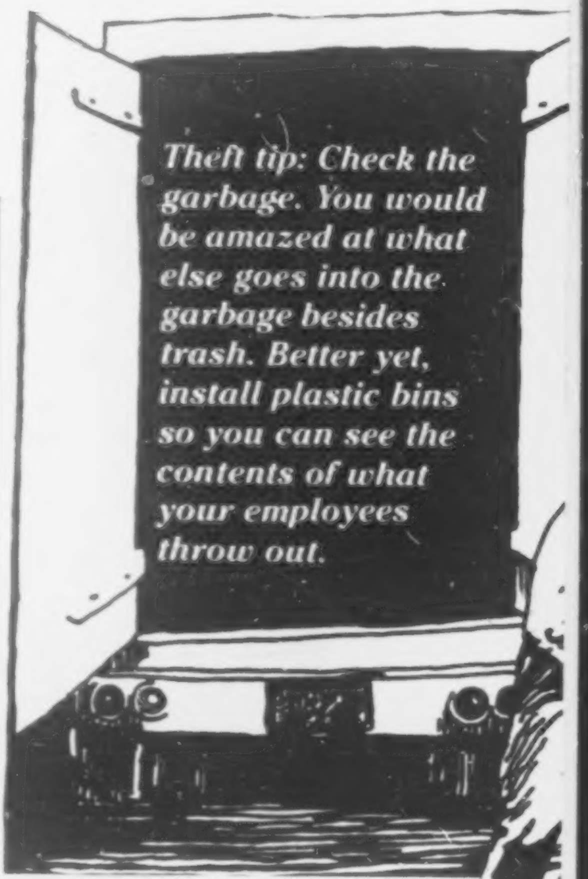
City restaurant in Los Angeles also has reduced employee theft by setting strict standards. According to manager David Duralde, "Employees must sign an agreement in the manual, signing off that they understand the specific grounds of termination for theft. We've designed a system that doesn't leave much room for error. If there isn't any control at the top, the seams can fall apart very quickly." A clearly defined employee manual will make it easy for the employer to take action if an employee decides to steal.

Thoroughly screen all applicants

"Thoroughly screening all applicants is a deterrent to hiring the wrong person," maintains Main of the Shore Bird. "We carefully screen all applicants before we hire them. We do a certain amount of employee questioning to uncover a candidate's feelings about theft."

In addition to careful questioning, cautious restaurateurs take the time to do a reference check on all applicants before they make the job offer. You should also take a close look at employment records, noting any breaks or time lapses. Finally, be alert to any contradictory information on the application or during the interview. Don't shortcut the time spent on the interview or the verification of the information on the application. It can cost you later.

—Angela Pope



Theft tip: Check the garbage. You would be amazed at what else goes into the garbage besides trash. Better yet, install plastic bins so you can see the contents of what your employees throw out.

pervision. Many operators correctly subscribe to the MBWA (Management By Walking Around) approach to foodservice management. Only through constant observation will thieves be caught red-handed. Not only should employees be watched closely, but also truck drivers should never be allowed to wander unescorted through the operation. An unescorted truck driver is often a theft in progress. In fact, any nonemployees (salespersons, repair contractors, etc.) should be either escorted or closely watched while in any area where food is stored.

Finally, the application of covert operations can be helpful in apprehending or deterring a thief. Covert operations run the gamut from electronic spying (video cameras, phone taps, open microphones in employee locker rooms) to clandestine inventories and to paid informers. Most of these approaches are legal.

Finally, perhaps the best way to avoid losing your shirt to theft is to adopt the persona of the paranoid schizophrenic. Lock every door, window and roof entrance. Check references. And be generally on the alert. ❑

Getting undercover help

Two effective methods of tracking theft without tipping your hand are surveillance and undercover investigations. Each is used for a different purpose. A surveillance investigation involves watching the suspects at an observable distance without being detected. An undercover investigation is used in cases where the best way of obtaining information is by close observation. Mary Ellen McWilliams, president of Internal Affairs, Inc., of Alexandria, Virginia, explains, "Surveillance may be used to define the theft problem, if it is not known. By doing surveillance, the areas where losses are most likely to occur are eliminated, leaving a well-defined area to probe undercover, if necessary."

An investigator gathers evidence in such a way that it will stand up under the intense scrutiny of legal proceedings. According to Howard Miller, board member of Miller and Associates International, an investigation firm in Falls Church, Virginia, "An undercover investigation works best in areas that are front-door losses, such as credit-card fraud, manipulation of the computer system to void a check or obtain a duplicate, an internal theft ring and the extension of 'complimentary' food and beverages to certain select patrons."

The success or failure of an investigation is based on management's willingness to deal with the issue of theft and to perform the necessary self-examination to decide in what way, if any, management is contributing to the problem.

Speed, length and cost

The speed of the investigation depends upon how well defined the problem is. Other factors include the relationship between management and the employees, the agent's gender, personality and resourcefulness, and the depth of the investigation.

The length of the investigation can vary from a few weeks to several months. For example, the investigation may involve more suspects than initially expected and evidence may take longer to gather than anticipated.

An investigation typically costs a minimum of $4,000. The investigator's hourly rate ranges from $50 to $75 per hour, plus expenses. (Expenses include mileage, film, tape recordings, meals and the like.) A nonrefundable retainer fee is customarily paid before any work will begin. It can vary from as little as $500 to $1,000 or more. The retainer fee is applied toward the cost of the investigation.

If, in an undercover situation, an agent is performing the duties of a cook hired at $10 per hour and scheduled to work for 40 hours per week, the amount of money paid to the "cook" is applied toward the hourly fees. "The undercover employee will go through the whole hiring process, to look as natural as possible," says McWilliams. Only the person who hires the investigator should know who the investigator is. In fact, the fewer people who know, the more effective the investigator can be.

The agent usually makes an oral report once a week to the person who hired the agent or as otherwise agreed. A written report is presented at the end of the investigation, detailing what was done and by whom. It includes copies of gathered evidence. If prosecution will result from the investigation, this evidence is normally turned over to the court clerk where the case will be argued.

How to hire an investigator:

1. Check the listings in the yellow pages, or get a personal reference from friends or lawyers. Many investigators belong to private-investigators' associations.
2. Hire a licensed professional. Verify the licensing and registration of the agency and agent with your local jurisdiction.
3. Prepare for the meeting by defining the problem as best you can and identifying potential suspects. Decide what steps will be taken after the information has been gathered, including criminal prosecution.
4. Meet with the agent; agree on the type of investigation to be done, the fee to be paid and how often a report will be made. Make sure the final written report includes copies of evidence that can be used in legal proceedings, if necessary.

—Joan K. Murray, R.D., a licensed investigator in Arlington, Virginia

COPING WITH THE FOOD FRIGHT

Alar is on its way out of the apple-production process, even though the Environmental Protection Agency (EPA) continues to claim Alar poses no grave health risk. "Growers 'don't have a prayer' of selling Alar apples to processors," says Larry Davenport, executive director of the Processed Apples Institute. Public pressure and consumer concern turned the tide on the question of Alar risk, proving once again that an industry must be prepared for a quick response when a crisis occurs or the resolution will be outside of its reach.

by Joan Murray, R.D.

In March of this year, the American public was confronted with two food scares—the contamination of Chilean grapes with cyanide and the *60 Minutes* report on the Alar content in apples. Both incidents brought to mind a chilling concern about the safety of the food supply and resulted in millions of dollars of lost revenue and in extensive litigation.

A look at the Alar incident shows how quickly panic can set in when the public is confronted with a question of food safety. Alar has been around for 20 years (since 1967), used on apples as a growth regulator. It reduced the number of apples that dropped from the tree and made a uniform product in terms of size, color and firmness. Alar extended the apple's shelf life up to six months.

In 1985 scientists at the Environmental Protection Agency (EPA) completed routine review tests of Alar, which suggested that the substance may not be as safe as once believed. EPA submitted the data to an independent science advisory panel for review, which rejected the data as being flawed.

EPA then ordered Uniroyal, the maker of Alar, to conduct studies on the safety of the product. These studies, which are still in progress, will not be completed until January 1990.

Joan Murray, a former restaurant manager, is a freelance writer in Arlington, Virginia.

In 1986 the Natural Resource Defense Council (NRDC), a private organization in Washington DC, took up the Alar fight and filed a complaint with EPA, questioning the safety of Alar. In 1987, NRDC filed a lawsuit, seeking to have EPA immediately ban the use of Alar on apples. The judge in the case denied the injunction to ban Alar on procedural grounds. After losing the injunction in 1988, NRDC began to release information to the news media on the alleged dangers of Alar.

60 Minutes aired a pesticide-residue report based on NRDC information. This data had been previously rejected as flawed by EPA's independent science advisory panel and a computer model of the "baddest of the bad" case scenarios. The report concluded that the residue levels of Alar in apples caused an increased risk of cancer in children due to that population's higher metabolic rate and high consumption of apple juice. The residue levels, from an analysis performed by *Consumer Reports*, were 1/40th of the legally allowed limit of 20 parts per million.

"In order for a child to be at risk of cancer, using the analysis of the apples cited in the *60 Minutes* report, the individual would need to consume 1,800 quarts of apple juice every day for 70 years," reports Anne Barker-Smith, food technologist with Pocahontas Foods USA, a Richmond, Virginia, food distributor. "In my opinion, that individual would drown from the fluid intake or die from malnutrition before he would show any signs of cancer."

> ***"The activists have manipulated the perception of food as being unsafe. The overriding social ramification is that the hysteria created masquerades as social well-being, and public policy will be made on an emotional basis, rather than a logical conclusion to solid, scientific data."***

Despite EPA's and processors' assurances—both the EPA and the FDA have testified before congressional committees that there were no immediate risks with Alar—public panic quickly grew, and pressure was placed on legislators and growers to ban Alar.

> ***"What the food industry as a whole needs to do is figure out a plan ahead of time to deal with a crisis, regardless of the cause, whether it be a foodborne illness or pesticide contamination."***

Rep. Henry Waxman (D-CA) and Sen. Ted Kennedy (D-MA) have introduced bills to adopt new risk-assessment standards for pesticide residues. Sen. John Warner (R-VA) has introduced legislation to remove Alar from the market. His position is that the current regulatory process is too slow in removing what is perceived to be a dangerous product, and the consumer perception of risk is damaging to the apple-growing industry.

In California, legislation has been introduced that will require growers to keep records on all pesticides and quantities used. The bill will also require more inspection by the state's department of agriculture and include more tests for pesticide residues.

The food industry's response

"If the risk of cancer were as high as the Natural Resource Defense Council claims, then the projected cancer rate would now be seen in the cancer statistics, as many of the current pesticides that are in use today have been in use since the 1950s and 1960s," says Jill Snowdon, director of technical affairs for the United Fresh Fruit and Vegetable Association in Alexandria, Virginia.

Nonetheless, almost immediately, food processors had to reassure their distributors that

A SAMPLE CRISIS-COMMUNICATIONS POLICY

1. The first priority, at all times, is to protect the well-being of the general public and our employees.
2. The spokesperson is the only member of our organization who will make public statements.
3. We will make public our intention to cooperate fully with any investigation.
4. We will disseminate information as quickly as possible.
5. We will be truthful at all times; we will hide no relevant facts from the community, press or employees.

the Alar residue content of their product was well within the legal limits. Many food distributors, such as Pocohantas Foods USA, requested documentation on the residue levels of the apple products, along with letters of guarantee. In the wake of the Alar controversy, Pocohantas Foods sent letters to customers reassuring them of the safety of the foods sold to them. Some of their customers sent samples out for testing to an independent lab to confirm the reports supplied to them by Pocohantas. Levy Restaurants in Chicago, for example, talked with purveyors before deciding not to remove apples and apple products from its menus.

The importance of being truthful cannot be overemphasized. An operator's credibility before employees, the press and the public can be destroyed by one lie, misrepresentation or intentional failure to disclose relevant information.

But even this was not enough. Pressure is mounting to ban Alar as a pesticide residue, and some observers predict that the ban will be in effect in the spring of 1990. Many growers have already imposed a voluntary ban on Alar, but at a price. The cost of apples will increase 25 to 30 percent this year alone. In addition, apples face an image problem that the International Apple Institute must combat with an aggressive education program and advertising.

According to Snowdon, "The activists have manipulated the perception of food as being unsafe. The overriding social ramification is that

HOW PESTICIDES, DRUGS AND FOOD ADDITIVES ARE REGULATED

Pesticide residues, such as Alar, are regulated by the Environmental Protection Agency (EPA) under the Federal Insecticide, Fungicide and Rodenticide Act. The Food and Drug Administration (FDA) approves drug and food additives under the Food, Drug and Cosmetic Act. Before any pesticide, drug or additive is approved by these agencies, the manufacturer is required to furnish scientific data demonstrating that the residual levels will not result in unreasonable risk to the general population. The residual tolerance levels, which are the maximum legally allowed, are set after long-term feeding studies, which indicate the highest dosage at which no observable harmful effects were found in laboratory animals. The manufacturer must also submit information regarding the proper usage.

EPA sets the level of tolerance, considering the accumulation of the residue from all products in which the pesticide is used. Most foods are well below the legally allowed residue levels. To compensate for any sensitivities in the general population, the tolerance level is reduced by a factor of at least 100. The FDA enforces the tolerance of all food items, with the exception of meat and poultry, which are regulated by the United States Department of Agriculture (USDA).

Once a pesticide that has been approved and in use for a long period of time is suspected of causing cancer or other adverse health effects, it cannot be removed from the marketplace until adequate evidence has been presented to demonstrate that the pesticide poses significant risk to the public's health. If imminent risk is involved, the product can be removed immediately. The threshold for review of the substance is that it causes cancer in more than one in a million people over a lifetime. EPA's decision, based on supporting studies, is submitted to an independent science review panel for review and recommendation.

FDA periodically gathers food samples and analyzes them for residues. Each quarter it buys samples of foods, in three cities that are representative of the American diet, with an emphasis on fruits and vegetables. These samples are sent to FDA's Kansas City, Missouri, lab for testing. The food is analyzed for pesticide residues, radioactive elements and toxic metals. This data is used to determine the accumulated residue levels for the average diet. If FDA suspects that any foods have residual levels over the legal limit, it will demand compliance testing. The product cannot be sold until after it has been cleared. If the product is not cleared, FDA can get a court order to seize and destroy food.

MONITORING THE FOOD FRIGHT

☐ 38% of the public worry about pesticide and chemical food contamination

☐ 52% feel the United States government doesn't protect the food supply adequately

☐ 43% think foods from foreign countries are safe

☐ 73% think we should use fewer pesticides and chemicals

Source: Newsweek/Gallup, March 16-17, 1989, poll of 756 individuals nationwide the hysteria created masquerades as social well-being, and public policy will be made on an emotional basis, rather than a logical conclusion to solid, scientific data."

What restaurateurs are doing

Restaurateurs rely on documentation to ensure food safety. "We know who is handling our food every step along the way," reports Bill Easby-Smith, managing partner of Chesapeake Bay Seafood House in Vienna, Virginia. "Our managers look for spoilage and for anything unusual. If they find something unusual, they call and alert our other units and headquarters. We buy from reputable vendors. We have an approved list of vendors who must meet our levels of sanitation and quality."

"When we are taking on a new supplier, we inspect their facilities for sanitation," says Bill Post, executive vice president of operations for Levy Restaurants in Chicago.

"Although food suppliers can do everything possible to ensure that a product is, in fact, safe, they can never completely eliminate the potential risk of harm to the public. Instead, the supplier is likely to balance the risk of harm with the cost and feasibility of substantially minimizing that risk," says Francis A. Citera, an attorney with the law firm of Phelan, Pope and John in Chicago.

But taking precautions may not be enough. Some observers believe a crisis plan should be in place in every organization.

Coping with a crisis

"What the food industry as a whole needs to do is figure out a plan ahead of time to deal with a crisis, regardless of the cause, whether it be a foodborne illness or pesticide contamination," maintains Al Tortorella, executive vice president and director of crisis management at Burson-Marsteller in Los Angeles, California. "The single most important thing is how well the primary episode is contained." When a cri-

WORKING WITH THE PRESS

Handling the press during a crisis is never easy, but a well-planned crisis-communications strategy is essential to successfully defusing a potential disaster.

In most cases, the reporter is the one who brings the situation to management's attention. The reporter is interested in knowing answers to such questions as, "What do you know?" "When did you find out?" "What is being done?" "How widespread is this situation?"

Every organization should have a designated spokesperson to answer questions about the crisis.

Here are some guidelines for controlling the direction of the interview:

1. Understand your company's crisis policy and articulate it clearly. Acknowledge that there is a problem.

2. Make the public and customers feel that everything is under control. Be truthful and factual about the current state of the situation, the cause of the incident and the effect of the incident, and report the facts as calmly as possible. But state your own position, what you want them to quote if they are going to quote you. Remember: If you don't want to hear it or read it, don't say it.

3. Answer explicit questions directly if you know the answer, but don't feel compelled to answer all questions. Unless you are absolutely certain about the answer to a question, don't try to answer it. But also remember that "no comment" is the worst response that can be given to the media during a crisis. Instead, say, "I will get back to you after I gather all the facts."

4. Do not allow yourself to be provoked. Humor, unless unsuitable to the situation, is an effective way to defuse hostility. But beware of appearing callous or cynical.

5. Never answer a question "off the record."

6. Make it clear that the welfare of the victims and community is your top priority. Tell what you are doing or plan to do for the victims.

7. If a reporter tells you what someone else has said about the situation, don't feel compelled to respond to the other person's comments. Instead, simply restate your position.

8. Do not speculate about possible causes of the crisis until all the facts are known.

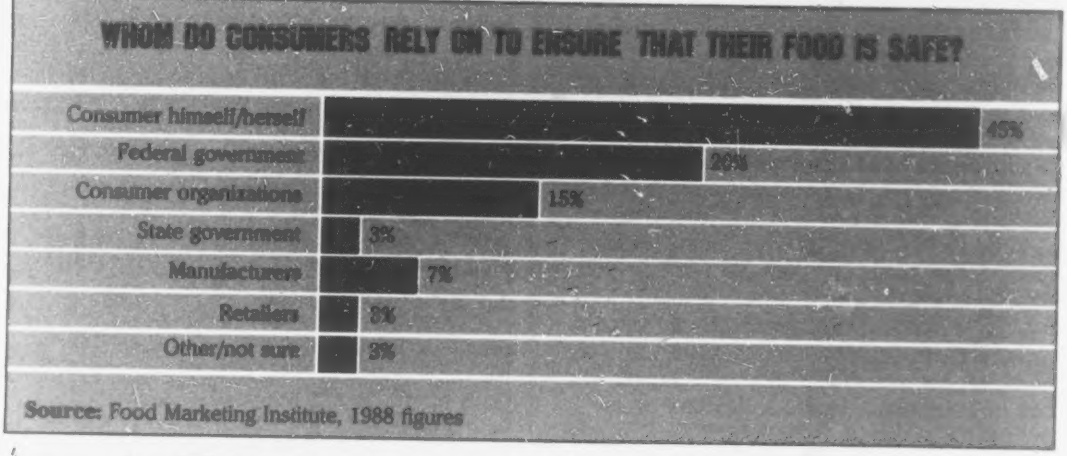
9. Be certain that every statement you release is clear and concise, free of ambiguity or technical jargon.

10. Align yourself with the public. How you are perceived is almost as important as what you say. The public is interested in what affects them, not what affects your operation. If all statements are made from the public's point of view, not the restaurant's, your position will be more acceptable and credible with your audience.

11. Make yourself available to the media. It is in the best interests of the company for this information to come from you rather than other sources.

12. Treat all reporters equally and return calls as promptly as possible, to establish good ties with the media. Let reporters know when updated information is expected.

13. Consult with experts when necessary. The public does not expect you to be an expert on technical matters. So, instead of exceeding the boundaries of your knowledge, get the assistance of authorities who can make appropriate statements related to your crisis. A medical expert's testimony about a disease or a foodborne illness, for example, can be a great help in clarifying the subject and allaying the public's fears.


WHOM DO CONSUMERS RELY ON TO ENSURE THAT THEIR FOOD IS SAFE?

Source: Food Marketing Institute, 1988 figures

sis occurs, there is little time to gather the facts. The average time in which to have a response in action is approximately three hours after the initial notice. The object in a crisis situation is to gain control as much as possible and be perceived by the public as being in control.

"The media will ask two basic questions: What are you going to do about the problem? When and what did you know?," Tortorella continues. "The media want to give the public answers and to reassure them of their safety and well-being."

"What a company should do when the press comes is to acknowledge the problem and present an action plan of what will be done until the problem is solved," emphasizes Tortorella. "Most restaurants concern themselves about the technical issues, such as sample collection and testing, and not communicating effectively to the public."

Establishing principles

The first step in creating a crisis-communications plan is to anticipate and plan. Establish policies, principles and goals in writing and designate a crisis team or company spokesperson.

A restaurant should take the initiative in disseminating information. The restaurant's best interests are served by adopting a policy of full disclosure. By disseminating the information quickly, the restaurateur will demonstrate his or her concern and will maintain control of the crisis. By getting the facts out quickly, the spokesperson can stop rumors and provide reassurance to the public that every possible step is being taken to resolve the crisis. In general, the more responsive an operator is to the press, the more positively his or her restaurant will be perceived by the people in the community. When the press believes that a restaurateur is being less than candid, it will seek out information elsewhere.

The importance of being truthful cannot be overemphasized. An operator's credibility before employees, the press and the public can be destroyed by one lie, misrepresentation or intentional failure to disclose relevant information.

For example, when a Levy restaurant became the focal point of a foodborne illness outbreak in 1985, the company quickly put a carefully thought-out plan into action. It included closing down the establishment, expressing concern about the victims—both to the press and to the individuals involved—and reimbursing affected patrons for their meals, medical bills and lost wages. Not only did the Levy organization win public support for its quick response, but it was also found not to be negligent in its practices by health officials.

Talk to your staff

Finally, the successful crisis-management plan needs the support of all employees. If you keep them informed on a regular basis, you can help them overcome their feelings of helplessness and frustration and could ensure cooperation at a time when it is needed most. In addition, a restaurant's employees inevitably talk to a large circle of family and friends. Keeping everyone informed ensures that the operation will provide consistent information. ❑

HOW TO REMOVE PESTICIDE RESIDUES

1. Thoroughly rinse and scrub fruits and vegetables. Peel them if appropriate.
2. Remove the outer leaves from leafy vegetables such as lettuce.
3. Trim fat from meat and poultry, because some feed residues will concentrate in the animal fat.
4. Cook food thoroughly.

Understanding minority markets

With current population growth rates of Black, Hispanic and Asian segments greatly outpacing that of Whites, these minorities represent great potential for new foodservice customers in many markets. By understanding these groups, restaurateurs can find and develop a source of customers for many years to come.

U.S. population by group

The Asian population has the highest growth rates

Population in thousands

Year	White	Black	Hispanic	Asian
1980	194,713	26,683	14,458	3,466
1990*	210,247	31,026	19,887	6,534
2000*	221,144	35,006	25,223	9,850

Estimated percent change in population

Year	White	Black	Hispanic	Asian
1980–1990	8.0%	16.3%	37.6%	88.5%
1990–2000	5.2%	12.8%	26.8%	50.7%

**projected*

Source: Bureau of Census, Population Reference Bureau, Inc.

Percent of adults who were foodservice patrons on a typical day, June 1988-May 1989

NonWhites used takout more than their White counterparts did

	White patrons	NonWhite patrons
All foodservice patrons	45%	45%
On-premises patrons	30	22
Off-premises patrons	17	25

Source: National Restaurant Association Gallup Survey

Although the population growth rate for Whites has slowed considerably, minority group populations are expected to continue their double-digit growth. The Black, Hispanic and Asian markets can become new consumer bases for restaurateurs, if the habits and preferences of these minority groups are understood.

The Black market

The Black population represents the largest and perhaps the most established minority group in the United States. According to most recent Census Bureau population estimates, Blacks remain the largest minority group in the United States, representing roughly 12 percent of the total population in 1988. *Here are other notable facts about this minority:*

☐ According to the 1980 census, 81 percent of the Black population lived in metropolitan areas, compared with 73 percent of Whites.

☐ In 1988 more than half of the Black population (53 percent) resided in the South, and 29 percent lived in the South Atlantic states.

☐ According to the 1980 census, 34 percent of Blacks lived in seven cities: New York, Chicago, Detroit, Philadelphia, Washington DC, Los Angeles and Baltimore.

☐ The Black population is younger and includes proportionately more children than does the White population. Census Bureau estimates in 1987 showed that 28 percent of the Black population was under 14 years of age, compared to 21 percent of the White population.

☐ In 1987 the proportion of families with children under 18 was higher among Blacks than among Whites—59 percent compared with 48 percent.

☐ In 1987 the median age of Blacks was substantially lower than that of Whites—27 years for Blacks compared with 33 years for Whites.

☐ In 1987, of persons 25 years of age and older, 63 percent of Blacks had at least a high school diploma, compared with 76 percent of the U.S. population.

☐ More than half (55 percent) of the Black population rented their living quarters in 1987.

☐ In 1987, 18 percent of Black households had an income of more than $35,000 a year.

☐ In 1987 the average Black household (related or unrelated people living together) included 2.91 persons, and the average Black family (households containing two or more related persons living together) consisted of 3.52 people.

The Hispanic market

The U.S. Hispanic population has been the subject of increased attention in recent years, largely due to its rapid growth—a rate that is more than twice as fast as that of the U.S. Black population and more than four times faster than for the U.S. White population. According to Census estimates, Hispanic Americans composed 6 percent of the total U.S. population in 1980, but most recent estimates show the proportion increased to 8 percent by March 1988. *Here are other facts to consider about this minority:*

☐ The Population Reference Bureau predicted that Hispanics will overtake Blacks to become the largest minority group in the United States. By the year 2020, they will number almost 47 million and represent roughly 15 percent of the population.

☐ The majority of the U.S. Hispanic population is concentrated in the Southwest. In 1988, 55 percent of all Hispanics lived in California and Texas. Other states with high Hispanic concentrations were New York (11 percent) and Florida (8 percent).

☐ More Hispanics are obtaining high school diplomas and college degrees than in the past. Of Hispanics 25 years old and older, 51 percent had their high school diploma in March 1988—up from 44 percent in 1980—and 10 percent had completed four or more years of college in 1988, up from 8 percent in 1980.

☐ The median age of Hispanics was considerably

Median family income by race, 1987

Median household income was higher for Whites than for Blacks or Hispanics

Group	Median family income
Whites	$30,809
Blacks	$17,604
Hispanics	$19,995
Asians	*
Total population	**$29,458**

** No estimates given for 1987. However, 1980 estimates showed Asian households had a median income of $23,095, compared to $20,840 for White households, $12,618 for Black households and $14,711 for Hispanic households.*

Source: Bureau of Census, Bureau of Labor Statistics

lower than that of the total population in 1988—26 years old, compared with 32 years old.

☐ In 1988 half of the Hispanic population was male—50 percent, a proportion higher than in the U.S. population as a whole (48 percent).

☐ The average Hispanic household included 3.79 people in 1988, higher than the 3.17 people in the average U.S. household.

☐ Almost six out of 10 (59 percent) Hispanic households rented their dwellings in 1987, compared with 36 percent of all U.S. households.

☐ The annual average household income for Hispanics in 1987 was $19,305, and 23 percent had an income greater than $35,000.

☐ A recent study by Telemundo Inc. showed that 47 percent of Hispanics interviewed were Spanish-language-dependent, and 86 percent said that Spanish was the language spoken at home.

The Asian market

Although it represented just slightly more than 2 percent of the U.S. population in 1980, the Asian American market is certain to command more attention in the years to come, because Asians are the fastest growing minority group in the United States. According to projections by the Population Reference Bureau, the Asian population is expected to grow 89 percent between 1980 and 1990 and 51 percent between 1990 and 2000. This compares to 38 percent for Hispanics, 16 percent for Blacks and 8 percent for Whites between 1980 and 1990; and 27 percent for Hispanics, 13 percent for Blacks and 5 percent for Whites between 1990 and 2000.

Here are other facts to consider about this minority:

☐ More than half of the nation's Asian population (56 percent) resided in the West in 1980. California led the 50 states, housing 36 percent of U.S. Asians. Hawaii (13 percent) and New York (9 percent) also had large Asian populations.

☐ In 1980, two out of three Asian Americans were Chinese, Filipino or Japanese. By 1990, more than half of the Asian population in the United States (54 percent) is expected to be Filipino, Chinese or Vietnamese.

☐ The average Asian-American family included 3.96 people in 1980, compared to 3.27 people for the United States overall. Japanese Americans had the smallest households (2.7 people), and Vietnamese Americans had the largest (4.4 persons).

☐ Asian Americans are more educated than the U.S. population as a whole. Of U.S. residents 25 years old and older in 1980, 34 percent of Asians had completed four or more years of college, compared to 16 percent of the general population.

☐ In 1980 Asian Americans also had a higher median family income than most other groups. Asian families had a median income of $23,095 per year, compared to $20,840 for White households, $14,711 for Hispanic households, and $12,618 for Black families.

Minority use of restaurants

Although nonWhite adults are as likely as their White counterparts to be foodservice patrons on a typical day,* their use of restaurants differs from that of Whites.

NonWhites are significantly less likely than Whites to eat on the premises of a restaurant, but they are significantly more likely to purchase takeout food or to use delivery. While 30 percent of Whites reported eating on the premises of a restaurant on a typical day, only 22 percent of nonWhites did so. Conversely, 25 percent of nonWhites reported foodservice purchases for off-premises consumption, versus 17 percent of Whites.

Relative popularity* of foods at restaurants among nonWhites

Rank	Food Item
1	Spicy fried chicken
2	Barbecued ribs
3	Vegetable platter
4	Asian food
5	Regular fried chicken
6	Fried vegetables
7	Fried shrimp
8	Rice

** Reflects preferences, but not necessarily the most popular items*

Source: National Restaurant Association CREST survey, 1988

NonWhites are significantly less likely than Whites to be lunch patrons, but they are more likely than Whites to purchase a snack from a foodservice outlet, especially for takeout.

Although a special National Restaurant Association CREST survey found that hamburgers, french fries and soft drinks are the most popular menu items among nonWhites—just as they are among Whites—the study showed some distinct menu preferences among nonWhites. These included Asian dishes, rice, fried chicken, fried shrimp, fried vegetables, barbecued ribs and vegetable platters. On the other hand, relatively unpopular items included coffee, most pasta dishes and many breakfast entrees, such as cereal and eggs.

—Nancy Michalski

**According to the Foodservice Market Measure, a monthly Gallup survey conducted for the National Restaurant Association, 45 percent of nonWhite adults were restaurant patrons on a typical day in the 12-month period ending in May 1989, which is identical to the percentage of White patronage*

Pizza restaurant update

Convenience, product innovations and promotions have led to a large increase in pizza restaurant traffic, especially in home delivery. Customer traffic at pizza restaurants made up nearly 13 percent of the overall restaurant traffic in 1988.

No matter how you slice it, pizza restaurants are on the move. Well over one out of every five dinner eater occasions* in 1988 took place in a pizza restaurant.

Growth moderates

Pizza restaurant traffic growth has moderated in 1988. Although pizza restaurant traffic had risen more than 9 percent in each of the years between 1984 and 1987, it rose only 1 percent in 1988. According to CREST** data, the increase was double that of industry restaurant traffic during the same time period.

Pizza restaurant traffic comprised a larger share of overall restaurant traffic. In 1988, customer traffic in pizza restaurants made up nearly 13 percent of all restaurant traffic, in comparison to 11 percent in 1985.

Gains in off-premises traffic

As consumers become more dependent on convenience items, pizza's popularity continues to rise. Almost 70 percent of all pizza restaurant eater occasions were off-premises in 1988. Out of those people who chose to eat off-premises, more than eight out of every 10 enjoyed their pizza in the comfort of their homes.

Off-premises pizza restaurant traffic growth outperformed the quickservice restaurant sector as a whole. Between 1985 and 1988, off-premises pizza traffic advanced 42 percent, in contrast to a 20 percent traffic increase in the quickservice sector. Pizza restaurant delivery was also far ahead of the quickservice segment. Between 1987 and 1988, the increase was 17 percent, four times greater than for quickservice restaurants as a whole.

According to CREST data, more than half of all pizza orders in 1988 were by telephone; 31 percent of customers called to pick up at the restaurant and another 24 percent called for

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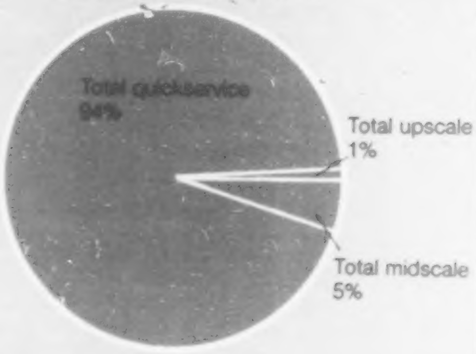
*An eater occasion is one meal eaten by one person.

**CREST stands for Consumer Reports on Eating Share Trends, a diary survey conducted by one of the NPD marketing and research companies.

Share of total pizza orders by type of restaurant

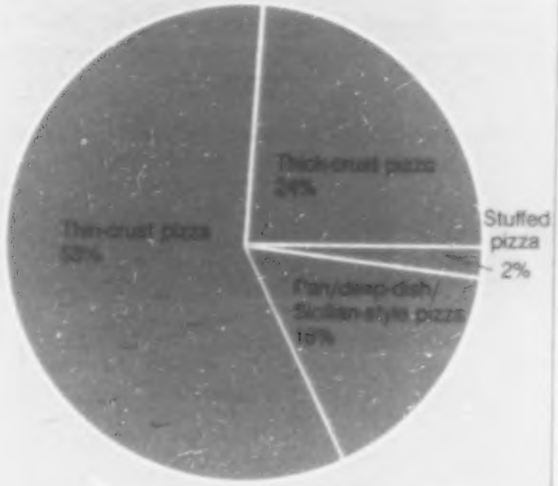
The quickservice segment supplies most of the industry pizza orders



Source: NPD CREST Annual Household Report, 1988

Distribution of pizza orders by type

Most customers prefer thin-crust pizza



Source: NPD CREST Annual Household Report, 1988

Who eats pizza and when

☐ Forty-five percent of all pizza purchased from restaurants is eaten on Friday and Saturday.

☐ Monday is the least popular day of the week for eating pizza.

☐ Three-fourths of all pizza is consumed at dinner.

☐ 58 percent of all restaurant pizza eaten has a thin crust, 24 percent has a thick crust, 16 percent is pan/deep dish/Sicilian-style and 2 percent is stuffed.

☐ Almost half of all pizza eaten is by customers in the 25-to-50 age bracket.

☐ Teenagers prefer pizza twice as much as overall restaurant food.

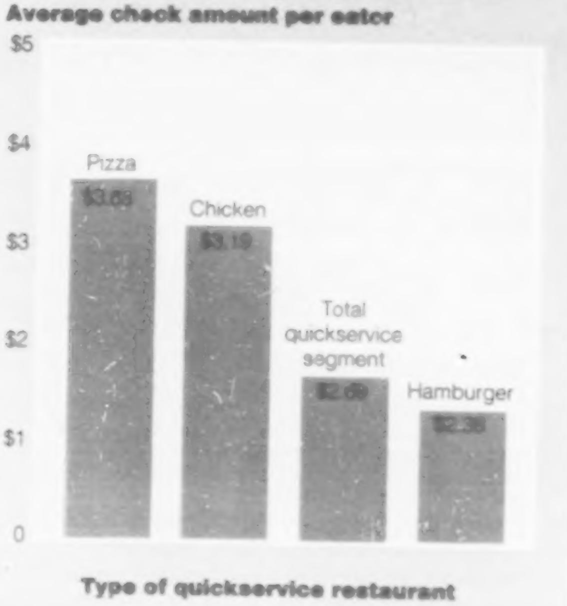
☐ Customers over 50 are least likely to order pizza.

☐ Men tend to order stuffed pizza slightly more than do women. All other types of pizza are enjoyed equally by both sexes.

Source: National Restaurant Association CREST survey

Average-check amount per eater in quickservice restaurants

Customers spend more at pizza restaurants than at any other quickservice restaurant



Source: NPD CREST Annual Household Report, 1988

delivery. (Quickservice Asian restaurants were a distant second for phone-in delivery orders in 1988—only 4 percent of eater occasions were telephoned in for delivery.)

Check size

The average per-person check size is higher in pizza restaurants than in any other type of quickservice restaurant. In 1988 the average check size per eater was $1 more in pizza restaurants than in the total quickservice restaurant sector.

The relatively high amounts customers are spending in pizza restaurants are despite the large percentage of eater occasions purchased on deal. Last year, 39 percent of eater occasions in pizza restaurants involved a promotion—twice the percent in total quickservice restaurants.

—*Elizabeth Gordon*

Pizza facts

☐ Americans eat 75 acres of pizza every day.

☐ Pepperoni is America's favorite pizza topping. Runners-up are mushrooms, extra cheese, sausage, green pepper and onion.

☐ Gourmet pizzas are on the upswing, with toppings such as venison, bison, baby eel, sprouts, avocado, broccoli, asparagus and goat cheese.

☐ Pizza is a $20 billion industry. Frozen pizza accounts for about 10 percent of that amount.

☐ Nearly 96 percent of all Americans eat pizza about 30 times a year.

Source: National Association of Pizza Operators, December 1987

New industry operations report

How is your restaurant doing, compared to other companies with a similar business profile? You can find out by reviewing the National Restaurant Association's Restaurant Industry Operations Report—1989. The new study, which was conducted jointly by the association and the national accounting firm of Laventhol & Horwath, is based on 1988 operations data from 1,852 restaurant operators.

The 1989 operations report contains specific information for each of the following types of restaurants:

☐ Full-menu tableservice

☐ Limited-menu tableservice

☐ Limited-menu, no tableservice (fast food)

☐ Cafeterias.

Operating results are expressed as amounts per seat and as ratios to total sales, the most common bases used in the industry. The study details such information as sales (by food and beverage), cost of sales, gross profit, controllable expenses, occupation costs and restaurant profit.

Also provided are earnings ratios, seat turnover, average check size, cost per dollar of sales and an analysis of employment, including employees per seat, sales per employee and the number of part-time versus full-time workers. These data are reported by specific operational characteristics, such as affiliation, menu theme and sales volume. The report includes

Ratio of total payroll by function* at full-menu tableservice restaurants, 1988

The service and preparation functions accounted for more than two-thirds of payroll expenses

Function	**Ratio to total payroll**
Service	34.3%
Preparation	34.0
Sanitation	6.8
Administrative and general	19.6
Other	5.3
	100.0%

** Based on arithmetic mean of those establishments providing breakdowns*

Source: National Restaurant Association, *Restaurant Industry Operations Report–1989*

The restaurant industry dollar, 1988

	Full-menu tableservice	Limited-menu tableservice	Limited menu, no tableservice	Cafeteria
Where it came from				
Food sales	81.3	83.5	98.1	97.1
Beverage sales	16.8	14.6	1.6	1.2
Other income	1.9	1.9	0.3	1.7
Where it went				
Cost of food sold	29.5	28.3	31.1	36.9
Cost of beverage sold	4.6	3.9	0.4	0.4
Payroll	26.9	28.9	23.5	25.4
Employee benefits	2.6	4.5	3.1	4.1
Direct-operating expenses	6.9	6.4	5.7	4.2
Music and entertainment	1.0	0.5	0.3	0.1
Advertising and promotion	2.6	2.6	4.8	1.3
Utilities	2.8	3.0	2.9	2.7
Administrative and general expenses	3.8	4.3	4.4	3.7
Repairs and maintenance	1.9	1.7	2.1	1.3
Rent	4.7	3.7	6.8	6.4
Property taxes	0.6	0.7	0.7	0.5
Other taxes	1.3	0.5	0.4	0.6
Property insurance	1.3	1.2	0.9	0.8
Interest	1.1	1.1	0.6	0.8
Depreciation	2.9	2.9	3.0	3.6
Other deductions	0.5	0.5	0.4	0.6
Net income before income taxes	5.0	5.3	8.9	6.6

Note: All figures are weighted averages

Source: National Restaurant Association, *Restaurant Industry Operations Report–1989*

amount-per-square-foot data covering sales, profits and occupational expenses.

Payroll specifics available

For the first time, the association survey obtained information on the breakdown of payroll by function. Respondents were asked to allocate their payroll data for the year among the service, preparation, sanitation and administrative functions.

Consequently, payroll-by-function information is available for both full and limited-menu tableservice operations on both a per-seat and ratio-to-total-payroll basis. Full-menu tableservice survey respondents indicated that for 1988 the service and preparation functions were the two primary payroll expense categories, accounting for more than 68 percent of total payroll expenses. Administrative payroll costs accounted for an additional 20 percent of total payroll expense at full-menu tableservice operations.

Other highlights of the 1989 report

☐ *Full-menu tableservice.* In 1988 the median check size for full-menu tableservice restaurants was $9.07—considerably higher than for the other types of establishments covered in this study. This reflects the higher-priced menus at these establishments and the fact that many full-menu tableservice restaurants serve alcoholic beverages.

More than half of the responding establishments had been in business for more than 10 years. Median food sales were $4,180 per seat. Alcoholic-beverage sales accounted for $941 per seat. Average daily seat turnover was 1.3.

☐ *Limited-menu tableservice.* The median check among limited-menu tableservice respondents was $6.12 in 1988, with an average daily seat turnover of 1.6. Median food sales were $3,347 per seat, and alcoholic-beverage sales represented $817 per seat. Median sales per full-time-equivalent employee were $29,616.

☐ *Limited-menu, no tableservice.* Limited-menu, no tableservice (fast food) survey participants reported an average daily seat turnover of 5.0 in 1988—the highest among the four restaurant categories covered by the study. Median food sales were $7,909 per seat. Less than 20 percent of limited-menu, no-tableservice restaurants that participated in the survey offered both food and alcoholic-beverage service.

Median annual sales per full-time-equivalent employee in 1988 were $40,414—the highest among the four restaurant categories.

☐ *Cafeterias.* Cafeteria survey participants had a median of 13.8 full-time-equivalent employees. These establishments experienced an average daily seat turnover of 2.3, with median food sales of $2,520 per seat and alcoholic-beverage sales of $223 per seat. Median annual sales per full-time-equivalent employee were $38,499.

—*Hudson Riehle*

How to order the report

A copy of *Restaurant Industry Operations Report—1989 (CS959)* is available to association members for $36 and to nonmembers for $72. This includes shipping and handling charges (overseas orders require a 20 percent surcharge). All orders must be prepaid.

You may order by sending a check or money order to the National Restaurant Association Publications Department, 1200 17th St. N.W., Washington DC 20036. For credit-card orders, call the association's information service and library between 9:00 a.m. and 5:00 p.m. (Eastern Standard Time) at 1-800-424-5156 or (202) 331-5960 in Washington DC.

Off-premises traffic growth is slowing

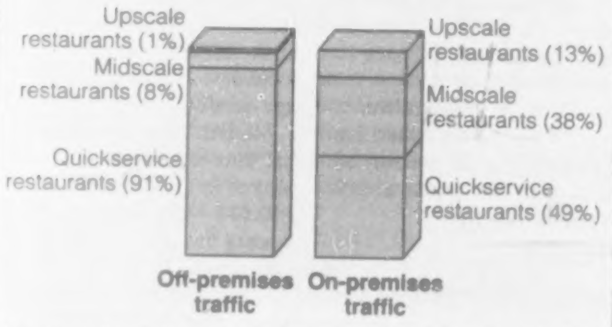
Since 1984, the off-premises market—carryout, drive-thru and delivery—has been the driving force behind growth in the restaurant industry, outpacing on-premises growth. In 1984, off-premises restaurant traffic accounted for 39 percent of industry traffic. By 1988 the off-premises segment had jumped to 45 percent. However, recent CREST data suggest that the rate of growth in the off-premises market is slowing down.

In the spring quarter of 1989, off-premises traffic dropped for the first time since 1979—declining by more than 1 percent, compared with the spring quarter of 1988. (On-premises traffic declined by 2 percent during that same period.) Declines in traffic at the two largest off-premises segments, carryout (down 3 percent) and drive-thru (down 1 percent)—which together accounted for 92 percent of the industry's off-premises traffic in 1988—were behind the downturn. (See the CREST quarterly report in this issue for additional details.)

The slowdown began in 1988, when traffic counts grew but at substantially lower rates than in previous years. Off-premises traffic, which had been growing at a 7 percent rate in 1986 and 1987, gained only 4 percent in 1988. Carryout traffic growth was just under 2 percent in 1988, lower than the 4 to 5 percent growth it had registered in 1986 and 1987. Drive-thru traffic, which was up 9 percent in 1986 and 10 percent in 1987, increased a smaller 6 percent in 1988. Even delivery, the smallest and fastest-growing off-premises market, slowed from 30 percent in 1986 to a lower 18 percent in 1987 and 11 percent in 1988.

Restaurant traffic* by industry segment, 1988

Quickservice restaurants dominate the off-premises foodservice market

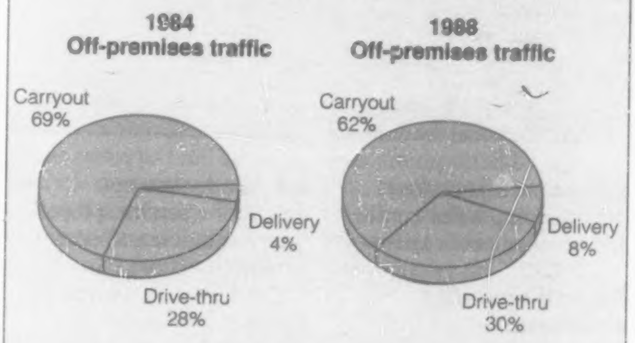


**expressed as percent of total industry on and off-premises traffic*

Source: NPD CREST Annual Household Report, 1988

Off-premises restaurant traffic,* by type

Drive-thru and delivery accounted for a higher percentage of off-premises traffic in 1988 than in 1984



*expressed as percent of total off-premises traffic

Note: May not add to 100 pecent due to rounding

Source: NPD CREST Annual Household Reports, 1984 and 1988

Quickservice—still the dominant force

Although more midscale and upscale restaurants have started to offer carryout and delivery service, the off-premises market remains dominated by quickservice restaurants. In 1988, 91 percent of off-premises traffic was from quickservice eateries. In comparison, quickservice establishments accounted for less than half (49 percent) of the industry's on-premises traffic.

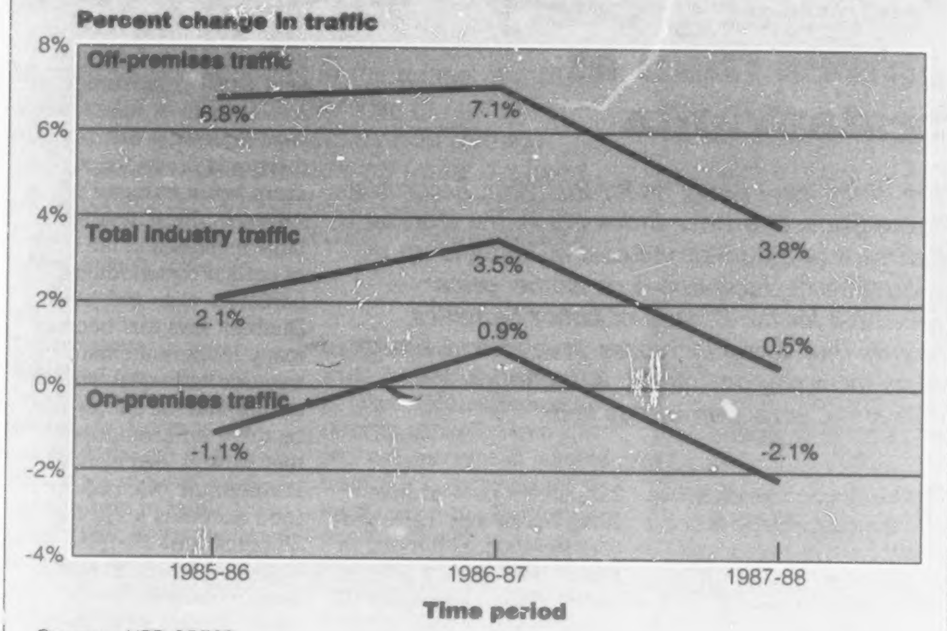
The quickservice segment is almost exclusively responsible for drive-thru traffic (98 percent of the total), delivery business (95 percent of the total) and carryout traffic (87 percent of the total).

Both pizza and hamburger restaurants are major forces in off-premises consumption. Pizza restaurants accounted for 87 percent of total delivery traffic in 1988 and had the largest single share (almost 20 percent)

Both pizza and hamburger restaurants are major forces in off-premises consumption.

Traffic growth at restaurants

Traffic growth has slowed industry-wide



Source: NPD CREST

of total carryout traffic of any type of restaurant. Hamburger restaurants also contributed a large share to carryout traffic (16 percent of the industry total) and drive-thru traffic (60 percent of the industry total). Other quickservice restaurants, such as other sandwich restaurants, chicken restaurants, and ice-cream restaurants, also contributed to drive-thru and carryout traffic.

In the spring quarter of 1989, off-premises traffic dropped for the first time since 1979.

—Nancy Michalski

Why people choose carryout and delivery

In order to understand the popularity of takeout and delivery, it is crucial to understand why patrons choose to consume food off-premises rather than stay and dine at a restaurant. A National Restaurant Association study, *Dinner Decision-Making*, provides some insights into this question. Survey results indicate that a "craving" for a certain type of food, as well as the need for convenience, played a part in consumers' decisions to use carryout and delivery.

Carryout characteristics:

☐ Of adults surveyed, 59 percent said they had used carryout at least once in the preceding 30 days. Those under 30 years of age, single adults and households with children were the most frequent users.

☐ The average party included 3.1 persons, and the median check was $9.48. Coupons were used on 31 percent of carryout occasions.

☐ Carryout occasions happened most frequently between 5 and 7 p.m. and were evenly distributed throughout the week, with a slightly lower incidence on Saturdays.

☐ The decision to use carryout was spontaneous. On six out of 10 carryout occasions, the decision to use carryout was made less than one hour ahead.

☐ Almost two out of three (64 percent) carryout occasions were from fast food restaurants, with hamburger, chicken and pizza outlets being among the most frequently mentioned establishments. Asian restaurants were also popular.

☐ According to survey respondents, the most important restaurant attributes of the carryout occasion were speed of service, price range, value and food quality.

Delivery characteristics:

☐ More than one out of five survey participants (22 percent) reported using home delivery of restaurant food at least once within the 30 days before the survey.

☐ Delivery was popular with singles, households with children, people under age 30, those between 30 and 39 years of age and households with annual incomes between $20,000 and $45,000.

☐ Home delivery was most popular on Fridays after 6 p.m., and pizza was the top delivery item.

☐ The average party for delivered food included 3.3 people, and the median check was $11.89. Coupons played an important part in delivery, since they were used on almost half (44 percent) of all delivery occasions.

☐ The decision to use home delivery was spontaneous. Two out of three (66 percent) people who used home delivery made the decision to do so less than one hour in advance.

☐ Attributes that were most important to those who used delivery included speed of service and food quality.

Double drive-thrus

Double drive-thrus reached 1 percent of the total U.S. household population during an average two-month period in 1988, according to a special study by CREST. *Other findings:*

☐ Double drive-thrus are popular with singles, working parents, single parents and "dinks" (double-income households with no kids), individuals between 18 and 34 years old, and those with a household income below $20,000 per year. Double drive-thrus are less popular with children under 17, people 50 and older, and those earning more than $30,000 a year.

☐ More than half (52 percent) of double-drive-thru traffic was at supper, compared with 37 percent of total hamburger-restaurant traffic. Hamburger restaurants in general showed a higher percentage of lunch traffic.

☐ Consumers who ordered from double drive-thrus showed almost identical consumption patterns to those who ordered food from hamburger-restaurant drive-thrus. Almost four out of 10 lunch patrons consumed food at home, with roughly the same percentage eating the food in the car. At dinner, six out of 10 ate the food at home.

☐ The average per-person check (excluding breakfast and morning snacks) for double drive-thrus was $2.15, less than the average check at both hamburger-restaurant drive-thrus ($2.33) and total hamburger restaurants ($2.47).

☐ The average per-person lunch check in 1988 was $1.99 at double drive-thrus, $2.43 at hamburger-restaurant drive-thrus and $2.55 for total hamburger restaurants. At dinner, the average per-person check was $2.41 at double drive-thrus, $2.51 at hamburger-restaurant drive-thrus and $2.62 for all hamburger restaurants.

Source: NPD CREST

Prices are rising faster at grocery stores than at restaurants

The dollar isn't going as far this year. According to the Consumer Price Index (CPI), the leading indicator of inflation, the cost of living is up in 1989. Patrick Jackman, a consumer-price specialist for the Bureau of Labor Statistics, reports that sharp increases in food and energy costs were responsible for the inflation hike during the early part of this year.

The sharp increase in the cost of food is not as apparent at restaurants as at grocery stores. When compared with prices through the first six months of 1988, the price of food through June 1989 was 7.4 percent higher at grocery stores (CPI for food at home), but only 4.6 percent higher at restaurants (CPI for food away from home).

Last summer's drought undoubtedly contributed to the sharper increase in grocery-store prices. Grocery-store prices were rising at a 2.8 percent pace in June 1988; but by July 1988, grocery-store prices jumped to a level that was 4.6 percent higher than in July 1987. After July 1988, grocery-store prices continued to register between 5.6 and 8.1 percent higher than in the corresponding month of the previous year.

Denis Dunham, a specialist on consumer-food prices at the United States Department of Agriculture (USDA), says the price of food at grocery stores has also been influenced by increased costs for packaging, shipping and energy.

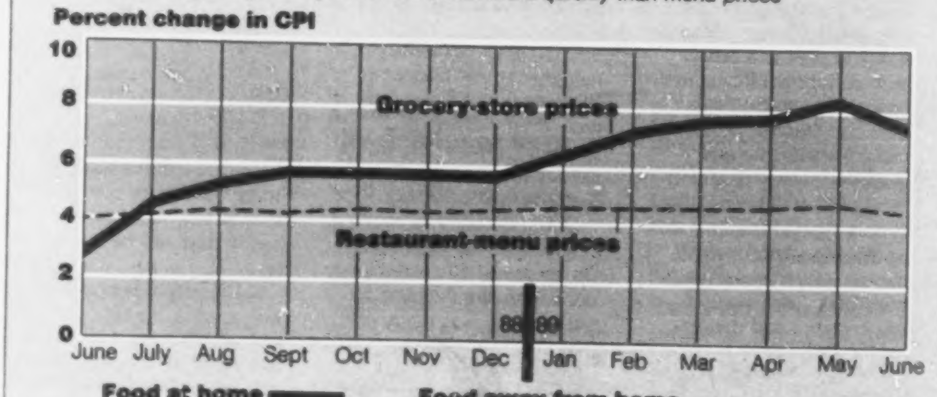
Menu prices, on the other hand, have been up between 4.2 and 4.6 percent when compared to the same month of the previous year. Following the drought, there was no evidence of a sharp boost in menu prices. Although there have been large increases in the cost of certain commodities, in particular eggs and poultry, Dunham says that because many restaurant chains contract for large quantities to ensure that the supply will be there for promotions, they lock in lower prices. Furthermore, the cost of food accounts for just 30 to 35 percent of the price of menu items sold in restaurants, compared to between 75 and 80 percent of the price of items sold in grocery stores.

Although USDA projects a slowdown in food-price gains through the final two quarters of the year, early estimates project a 5 to 7 percent increase in grocery-store prices for 1989, and a slightly lower 4 to 6 percent rise in menu prices.

—Nancy Michalski

What is happening to food prices in 1989?

For the first six months of 1989, grocery-store prices rose much more quickly than menu prices



Source: Bureau of Labor Statistics

CREST report—1989 spring quarter

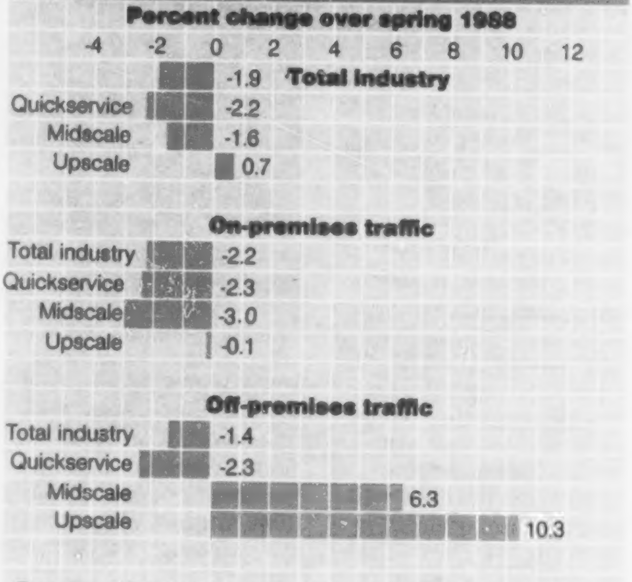
After a positive showing in the winter months, including a 2.1 percent increase in customer counts, the restaurant industry had a tough spring quarter. Overall industry traffic declined 1.9 percent from spring 1988 levels, resulting primarily from the first declines in quickservice traffic since 1982.

Upscale restaurants fared the best in the spring quarter, posting a 0.7 percent rise in customer counts. Although midscale restaurants showed a 1.6 percent drop in traffic from spring 1988, it was the lowest rate of decline in the past four quarters. Quickservice eateries were hit the hardest, with a surprising 2.2 percent fall-off in customer counts.

Perhaps more surprising than the drop in quickservice traffic was the downturn in off-premises traffic. Again, the industry-wide decline of 1.4 percent in takeout counts could be directly attributed to a 2.3 percent decrease in takeout from quickservice establishments. Showing a strong positive growth in the off-premises market were both upscale (up 10.3 percent) and midscale restaurants (up 6.3 percent).

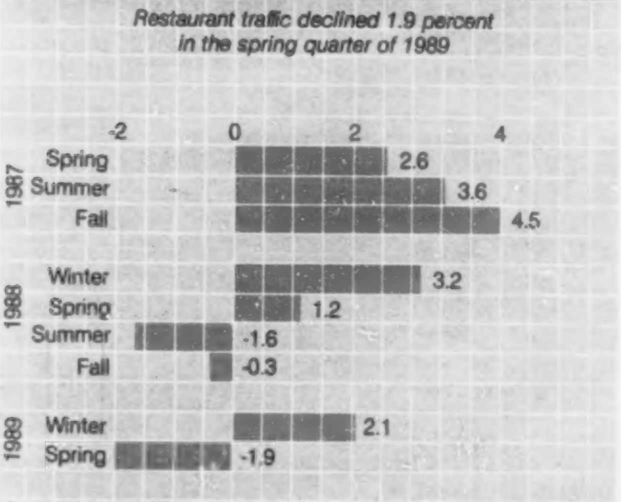
On-premises industry traffic continued to decline in the spring quarter, falling 2.2 percent from spring 1988 levels. All three segments showed decreases in on-premises traffic, with midscale restaurants showing the largest decline (3.0 percent).

Changes in restaurant traffic, spring 1989



Source: *NPD CREST Household Report, spring 1987–spring 1989*

Percent change* in quarterly traffic spring 1987–spring 1989



**percent change is over the same quarter in the previous year*

Source: *NPD CREST Household Reports, spring 1987–spring 1989*

Of the three meal periods, only lunch did not see setbacks in customer traffic in the spring quarter, posting a 0.8 percent growth in customer counts. Breakfast traffic was hardest hit, witnessing a sharp 5.7 percent drop in customer traffic; dinner volume declined a lesser 1.6 percent. On-premises traffic fell at both breakfast (down 4.9 percent) and dinner (down 3.7 percent), but lunch traffic remained unchanged from spring 1988. Of the three meal periods, breakfast saw the only drop in off-premises traffic this quarter—down a hefty 7.0 percent. Both lunch and dinner showed gains in off-premises traffic for the quarter—up 2.1 percent and 0.7 percent respectively.

Along with the decline in customer traffic came a drop in deal usage. Promotions were used on 16.7 percent of all occasions in spring 1989, down from 17.4 percent in spring 1988. Quickservice establishments led the segments in deal usage. In spring 1989, promotions were used on 19.0 percent of occasions at quickservice restaurants, 12.4 percent of occasions at midscale restaurants and 11.9 percent of occasions at upscale restaurants.

The average per-person check size for the 1989 spring quarter was $3.79—up 4.1 percent from $3.64 in the spring 1988 quarter. Quickservice restaurants recorded the largest gain in per-person check size, 5.2 percent, to $2.81. The check size at midscale restaurants advanced 3.4 percent to $4.60, while upscale restaurants showed the lowest increase in per-person check size—rising 1.1 percent to $9.33.

Foodservice Market Measure—July 1989

According to the Foodservice Market Measure, there was a significant increase in the proportion of adults who were foodservice patrons on a typical day in July 1989, when compared to patronage in July 1988. Although last year's patronage may have been unusually low because of very hot weather in some areas of the country, the year-to-year gain demonstrates strength in on-premises business, which has not occurred in some months. The dampening influence of last July's unusually hot weather is seen in regional data, which show significant gains from July 1988 to July 1989 in the East and South—both of which experienced record heat last July.

The proportion of adults who ate on the premises of a foodservice establishment on a typical day in July 1989 approached 33 percent, the highest level reached since the Market Measure began in June 1988. Dinner patronage was also at a record high—25 percent; and 17 percent of the respondents reported eating dinner on the premises—an increase from recent months.

Although on-premises business was enjoying its best month since the Market Measure began tracking patronage, the proportion of adults who purchased takeout was off slightly in July from the April to June 1989 period. Nevertheless, 18 percent of adults reported purchasing food for carryout or delivery in July 1989, which is higher than the proportion who did so last July.

Off-premises patronage for lunch also reached its highest level in July 1989, when 8 percent of adults reported being carryout customers.

On-premises patrons

Data collected from June 1988 to May 1989 clearly show which consumers have the greatest propensity to eat on premises on a typical day:

☐ men (33 percent),

☐ college graduates (34 percent),

☐ those with an annual income of $40,000+ (37 percent),

☐ whites (30 percent) and

☐ women employed full time (30 percent).

The most popular days for on-premises patronage are:

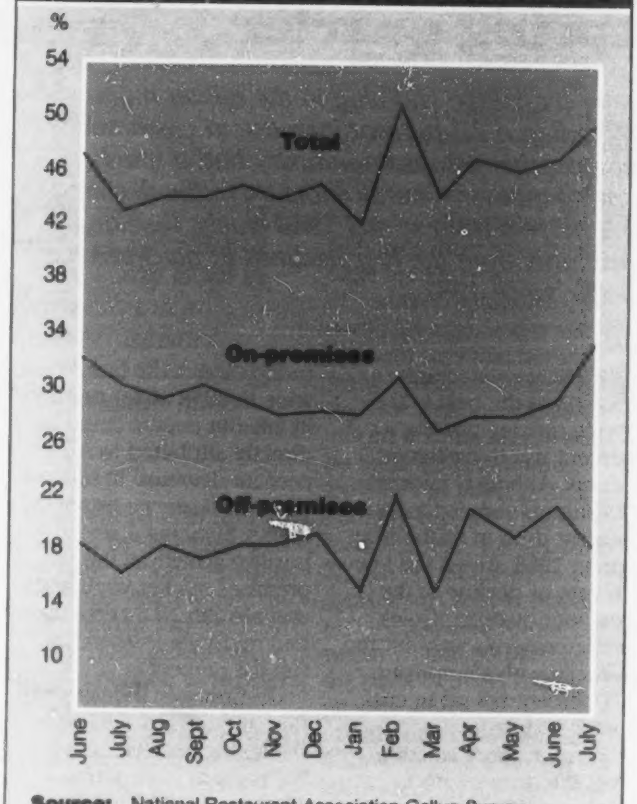
☐ Friday (35 percent),

☐ Saturday (32 percent) and

☐ Thursday (30 percent).

—Susan Mills

Percent of adults who were foodservice patrons on a typical day



Source: National Restaurant Association Gallup Survey

Percent of adults who were on-premise patrons on a typical day in July 1988, June 1989 and July 1989

Meal period	July 1988	June 1989	July 1989
Breakfast	6%	3%	4%
Lunch	14	14	15
Dinner	16	13	17
Snack	1	1	2
Total	**30%**	**29%**	**33%**

Source: National Restaurant Association Gallup Survey

Foodservice Market Measure

The Foodservice Market Measure is based on 1,000 telephone interviews, conducted by the Gallup Organization each month, with a nationally representative sample of adults age 18 and older. Each person is asked the same questions:

1. Which of the following did you do yesterday?

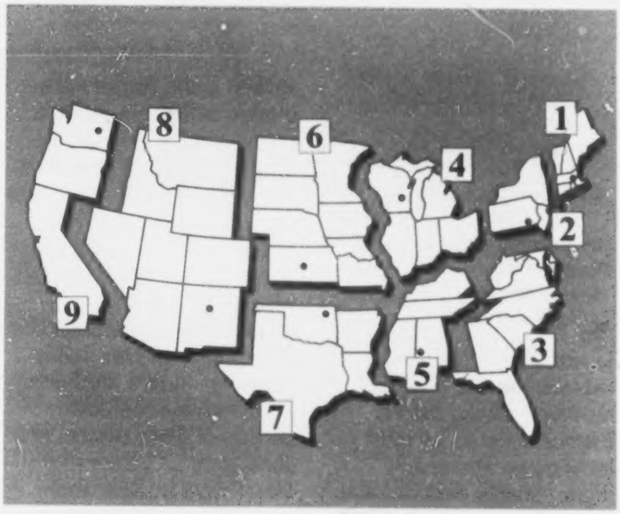
☐ Ate on the premises of a restaurant, fast food place, cafeteria or any other place where you purchased a meal or snack,

☐ Purchased takeout food "to go" or had it delivered.

2. Was the food you ate on premises yesterday for breakfast, lunch, dinner or a snack?

3. Was the takeout food you purchased or had delivered for breakfast, lunch, dinner or a snack?

The monthly tracking of purchases is supplemented by quarterly inquiries on topics of industry interest.



1 NEW ENGLAND

Location: Cambridge, MA
Association member: Frank Weissbecker
Operation: Harvard University Dining Services
Profile: University foodservice
In business: 59 years
Meals served: Breakfast, lunch, dinner

Harvard University's dining service operates dining rooms in 13 residence halls, a freshman dining hall and the Faculty Club. That adds up to 14,000 meals a day or four-and-a-half million meals a year—quite a change from 353 years ago, when Harvard's handful of students slept, ate and went to class in a single building.

What do Harvard students eat? Director of dining services **Frank Weissbecker** says they like ethnic foods, especially pasta, pizza, salads and peanut butter. The taste of the faculty, on the other hand, runs to traditional foods, such as the club sandwich at lunch.

The service does a large catering business—from student and faculty events to weddings. But finding workers is difficult in the labor-short Boston area; students are often reluctant to work because they're afraid it will take time away from studies.

2 MID-ATLANTIC

Location: Gettysburg, PA
Association members: Leann, Allan, Andy and June Larson, Colleen Sease, Clara Newell
Operation: General Lee's Family Restaurant
Profile: Upscale family restaurant
In business: 25 years
Seats: 104
Meals served: Breakfast, lunch, dinner

On the edge of the Civil War battlefield and next door to the house used by Robert E. Lee as his headquarters is General Lee's Family Restaurant. It was formerly a Dutch Pantry, but now it is independently owned, attracting tourists and locals. "Business is increasing constantly," says assistant manager **Clara Newell.**

The decor features antique farm tools and cooking utensils and pictures from the Civil War, including a large portrait of Lee, which hangs over the fireplace in the main dining room. An old stove also adds to the ambiance, but it has a practical purpose as well—it keeps the house specialty warm, a hearty ham-and-bean soup. Other dishes reflect the Pennsylvania Dutch heritage of the area. There is a Down Home Chicken Pot Pie, a house salad with a sweet-sour dressing and apple dumplings.

For health-conscious diners, there are special items on the menu, and the kitchen will cook any dish to order for those with dietary restrictions.

3 SOUTH ATLANTIC

Location: Washington, DC
Association members: Christina Lopez-Guerra, Ruth Romero
Operation: El Bodegon
Profile: Fullservice Spanish restaurant
In business: 26 years
Seats: 100
Meals served: Lunch, dinner

The Spanish restaurant El Bodegon is in an old row house on Washington's Dupont Circle, a busy midtown hub of shops, restaurants and businesses. Diners can choose the downstairs dining room, quiet and softly lit with candles, or the smaller, brighter upstairs room. There is also a bar, decorated with tiles and wood. Strings of garlic, red peppers and Spanish hams hang from the ceiling.

To begin a meal, or for grazing, there are about 20 tapas—from *calamares fritos* (fried squid) to *gambas al ajillo* (shrimps with garlic). Soups include gazpacho and *sopa de ajo* (garlic soup). There are two versions of paella, the traditional *paella a la Valencia* with seafood, chicken and saffron rice, and *paella del Rey,* which substitutes lobster for the chicken. Parties of eight or more can order ahead for a feast of roast suckling pig. Desserts include two kinds of flan, and an extensive wine list offers Spanish wines and sherries. To further please Spanish aficionados, a flamenco dancer and guitarist entertain six nights a week.

"Business has been wonderful," reports manager **Ruth Romero.**

4 EAST NORTH CENTRAL

Location: Waukesha, WI
Association members: Hans Sr., Hans Jr. and Jack Weissgerber
Operation: Weissgerber's Gasthaus
Profile: Midscale restaurant featuring German cuisine
In business: 5½ years
Seats: 180
Meals served: Lunch, dinner

Customers enjoy the food and atmosphere of Germany when they visit Weissgerber's Gasthaus. The building resembles a German chalet, with painted murals on the walls both inside and out, stained-glass windows and a profusion of blooming flowers during warm-weather months. Although the menu offers American foods as well, the favorite dish is found on the German half of the menu—the Gasthaus Platter, with a sampling of *Kasseler Rippchen* (smoked pork loin), *rouladen* (stuffed meat roll) and bratwurst, served with spaetzle and a choice of red cabbage or sauerkraut. Dessert lovers can select hot apple strudel with cinnamon ice cream, Black Forest cherry torte, a double Bavarian chocolate torte or a German fruit torte. There is an extensive wine list and an 82-item beer menu with imported and domestic selections.

Although regular customers don't visit the restaurant as often in the summer because they like to take part in the ethnic festivals held regularly in Milwaukee, which is 20 minutes to the west, business continues to grow, says business manager **Donna Baldwin.** Private-party business makes up for any drop in regular attendance.

5 EAST SOUTH CENTRAL

Location: Mobile, AL
Association members: Katie Kordomenos, Nick Catranis, George Catranis
Operation: Korbet's
Profile: Midscale fullservice restaurant
In business: 40 years
Seats: 200
Meals served: Breakfast, lunch, dinner

Korbet's owner **Nick Catranis** is Greek, and there are a few Greek dishes on the menu, but the restaurant specializes primarily in Southern dishes and fresh seafood from the nearby Gulf.

Korbet's is in a mid-town location—between downtown and the malls on the edge of town—and Catranis depends on his local following for most of his business. Although Catranis reports that this hasn't been one of his better years because of the slow economy, he is looking forward to more business once the Navy bases some of its ships in Mobile during the next two years.

6 WEST NORTH CENTRAL

Location: Great Bend, KS
Association members: Loren Unruh, Robert Givens
Operation: Black Angus Steak Ranch
Profile: Midscale steak restaurant
In business: 19 years
Seats: 200
Meals served: Breakfast, lunch, dinner

In order to compete with two steakhouse chains in his town, owner **Loren Unruh** believes he must offer a bigger menu and higher-quality cuts of meat. His 100-item salad bar, for example, includes much more than salads—hot foods, potatoes, soups and ice cream—and his steaks come in eight sizes and varieties.

It's natural that steak would be popular in the Central Kansas area, where cattle ranches abound. Oil and farming are the other big businesses. The effects of the oil slump and drought are still being felt, but things seem to be picking up, says Unruh, especially for the farmers who are hoping for a good fall wheat crop after some abundant summer rains.

7 WEST SOUTH CENTRAL

Location: Tulsa, OK
Association members: Howard and Sandra Smith, Linda Phillips
Operation: S & J Oyster House Incorporated
Profile: Company owning three fullservice restaurants
In business: 6 years
Seats: 150 to 200
Meals served: Lunch, dinner

At its two restaurants in Tulsa and one in Kansas City, S & J Oyster House tries to recreate the food, atmosphere and sounds of New Orleans. Cold spiced shrimp is the restaurant's biggest seller, but oysters, clams and mussels in season also draw customers to the raw bar. A Cajun-Creole section of the menu lists etouffee, barbecued shrimp, andouille—a Cajun sausage on a French roll with tomato, onion, lettuce and the resturant's own Louis dressing—and a muffuletta sandwich—a seafood po'boy of fresh oysters and shrimp on a French roll. Mardi Gras posters and blues and zydeco music further set a Louisiana tone.

Business is good, reports manager **Linda Phillips,** especially at the Tulsa restaurants since outdoor patios were added.

8 MOUNTAIN

Location: Albuquerque, NM
Association members: Charlie and Shirley Villa; Phyllis Ables
Operation: High Noon Restaurant and Saloon
Profile: Upscale, fullservice restaurant
In business: 15 years
Seats: 95
Meals served: Lunch, dinner

Owners **Charlie** and **Shirley Villa** spent eight years renovating the building that houses their upscale restaurant in the city's Old Town, a gathering spot for tourists. During that time, they also acquired the many objects that make their restaurant unique. The eclectic collection includes wooden statues of saints, Indian rugs and large wooden sandcast wheel molds that decorate the bar. In one dining room hang photos of all who were involved in the renovation—dressed in old-West regalia.

The house specialty is a pepper steak—peppercorns pounded into a steak, which is then served with a sauce of veal stock and brandy reduced with heavy cream. Tableside service includes flambeed dishes such as steak Diane and bananas Foster.

The restaurant also runs an off-premises catering business, preparing the party food at dawn in the restaurant kitchen so as not to interfere with regular meal preparation.

The High Noon is feeling the effects of the area's sluggish economy as well as the competition from an ever-increasing number of area restaurants, "but I'm making it," says manager **Phyllis Ables.**

9 PACIFIC

Location: Spokane, WA
Association members: David Peterson, Mike Cowen
Operation: The Arctic Circle
Profile: Franchise fast food restaurant and drive-in
In business: 5 years
Seats: 256
Meals served: Lunch, dinner

Because it began as an ice-cream store, the restaurant was named to suggest frigidness. Although the Arctic Circle still claims to serve the best shakes in town—from summer strawberry to wintertime huckleberry—now it also features hamburgers and french fries that come with a tomato sauce.

Owner **David Peterson** has set his store apart from other franchise Arctic Circles in the West by adding a back-lit awning to the exterior and remodeling the interior. As a result, business is up 20 percent, he says. *—Julie Fintel*

The great salmon caper

Here's a story about the one that didn't get away.

Steven Himelfarb, owner of Epicured Smoked Fish Inc. of Montgomery County, Maryland, got a call from a man who said he worked for Phillips Harborplace, a popular seafood restaurant in Baltimore. When he ordered 100 pounds of smoked salmon, Himelfarb immediately smelled something fishy. An order for expensive smoked salmon was definitely out of the ordinary for Phillips, which serves more traditional seafood dishes such as flounder and crab. Himelfarb really got suspicious when the buyer called back to increase the order to 150 pounds—worth $1,800 wholesale. Before the order was to be picked up, Himelfarb called Phillips and, as he suspected, the company hadn't ordered the fish. He called the police.

Officer Marvin Thomas wanted to call in a detective, but there wasn't enough time before the fish-thief was due to arrive. Himelfarb suggested Thomas go undercover himself. The officer donned a long white delicatessen smock and hip boots to disguise his uniform. The "sale" went very smoothly, with Thomas looking on. The phony Phillips buyer signed for the order using an assumed name and then turned to Thomas and asked him to help him carry the fish to his truck. Thomas happily obliged and then arrested the salmon-nabber on the spot.

—The Washington Post

Racing to the table

At the New England Culinary Institute in Montpelier, Vermont, the students give new meaning to the term "a movable feast." Twice a year the students compete in quadrathlons—four-part competitions that combine their culinary and athletic skills—in the interest of encouraging physical fitness. The students break into teams with five members: a runner, a biker, a food server and two cooks. The biker kicks off the race by tackling a 6 to 8-mile course while carrying a bag of groceries. The biker hands off to a prep cook who slices, dices and sautes. The runner carries the prepped food two-and-a-half miles to the school's catering kitchen, where the fourth team member cooks the meal (providing any food made it to this stage). The last member serves the finished meal to a team of faculty judges.

The race takes anywhere from one to three hours to complete, and each team is graded on speed, quality of the food, service and cleanup.

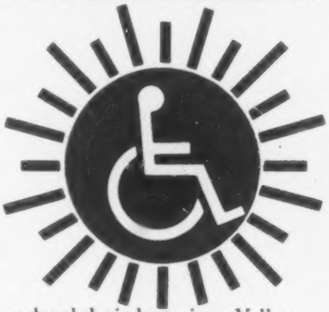
—Games Magazine

How sweet it will be

Twenty years ago, the artificial sweetener cyclamate was banned due to a study that linked it to the growth of tumors in rats. In February of this year, the National Cancer Institute released a report stating that laboratory monkeys who have been fed large amounts of cyclamate every day for 17 years have suffered no ill effects. This report renewed the controversy that surrounded the ban on cyclamate from the beginning, when scientists questioned the original study's validity and criticized the Food and Drug Administration for buckling under political pressure to ban the substance without appropriate scientific support. The Food and Drug Administration now admits that the decision to ban cyclamate was a mistake and the sweetener is expected to be reapproved for distribution this year, joining NutraSweet and Sunette, the trade name for Acesulfame K.

—The Washington Post

The symbol that says "welcome"



Everyone is familiar with the international wheelchair symbol that designates accessibility for the disabled. Restaurateurs commonly use the symbol on their front doors, in parking spaces, on bathroom stalls or for other special accommodations for the physically challenged. But why not use the symbol in your advertising to let disabled customers know that you welcome their patronage? The wheelchair logo in a Yellow Pages ad, for example, would quickly target a very responsive audience—those who appreciate your establishment's willingness to accommodate their needs.

—Handicapped Employment Programs, National Restaurant Association

From pecan logs to prayer books

Although there have been churches converted into restaurants, seldom does it happen the other way around. But that's the way it's happening in Mercer, Pennsylvania. Because the state prison located in Mercer was the only prison in the state that did not have a chapel, a local minister spearheaded a movement to remedy the situation. The fund-raising committee decided to renovate an abandoned Stuckey's restaurant because its characteristic roof arches seemed to be perfectly suited for a chapel. The restaurant, which sold for $20,000, was moved to the prison site, where work is now underway to transform it into a place of worship for the prison's 700 inmates.

—Philadelphia Inquirer

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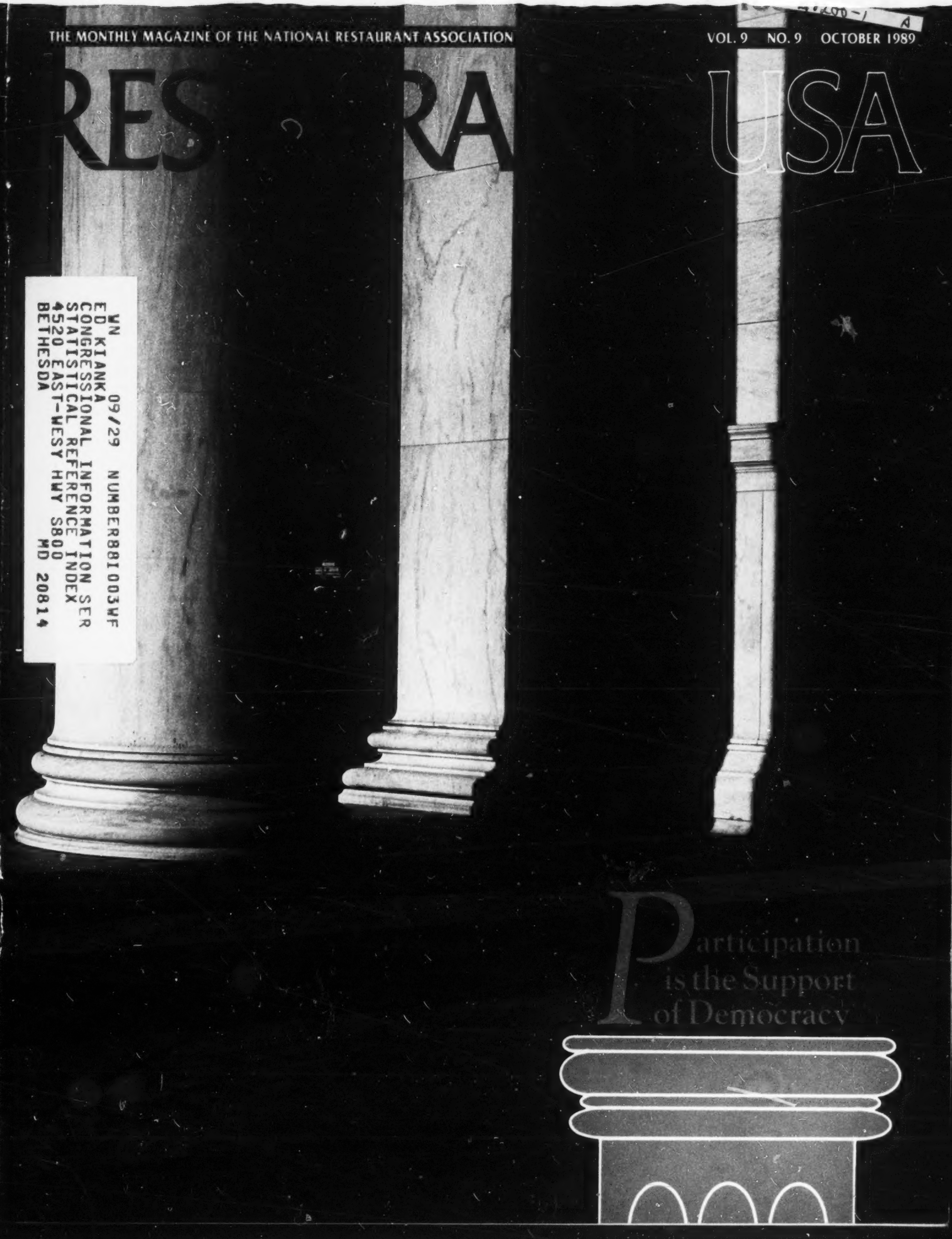

Participation is the Support of Democracy

ASSOCIATION MEETINGS

SEMINARS

Basic Foodservice Courses

Dining Room Management

10/16	Phoenix, AZ
10/18	Los Angeles, CA
11/7	Richmond, VA
11/9	Orlando, FL
12/4	Chicago, IL
12/6	Nashville, TN

Kitchen Management

10/16	Phoenix, AZ
10/30	Minneapolis, MN
10/31	Detroit, MI
11/6	Philadelphia, PA
11/7	Atlanta, GA
11/8	Tampa, FL
11/13	Dallas, TX
11/14	Houston, TX
11/15	Chicago, IL
11/20	Nashville, TN
12/4	Portland, OR
12/6	Seattle, WA

Foodservice Management Courses

Banquet Management

10/17	Portland, OR
10/18	Spokane, WA
11/6	San Francisco, CA
11/7	Los Angeles, CA
12/4	Dallas, TX
12/5	Minneapolis, MN

Food Cost Management

10/17	Minneapolis, MN
10/18	Milwaukee, WI
10/25	Louisville, KY
10/26	Tampa, FL
11/14	Los Angeles, CA
11/15	San Francisco, CA
11/28	Baltimore, MD
11/29	Pittsburgh, PA

Fighting the Labor Crisis

10/23	San Diego, CA
10/24	San Francisco, CA
10/25	Los Angeles, CA
10/25	Chicago, IL
11/1	Detroit, MI
12/5	Louisville, KY
12/5	Portland, OR
12/7	Seattle, WA

Off-Premises Catering

10/16-17	Pittsburgh, PA
11/6-7	Denver, CO
11/28-29	Chicago, IL
12/4-5	Orlando, FL

Profitability

10/16	Orlando, FL
10/17	Atlanta, GA
11/13	Portland, OR
11/14	Seattle, WA
12/4	Denver, CO
12/5	Phoenix, AZ

Successful Buffet Management

10/23	Charlotte, NC
11/13	Detroit, MI
11/14	Chicago, IL
12/4	Richmond, VA

Stop Theft

11/6	Chicago, IL

Takeout Delivers Profits

10/23	Chicago, IL

Note: *All Chicago seminars are held in The Educational Foundation's Conference Center at 250 S. Wacker Drive.*

For information, contact:
Educational Foundation of the National Restaurant Association
250 South Wacker Drive
Chicago, IL 60606
(312) 715-1010 or 1-800-522-7578

If your company is interested in our in-house programs, call or write to the attention of Jeff Harrison at the above address.

EXECUTIVE STUDY GROUP SERIES

Management Information Systems
10/17–22 Newport Beach, CA

Marketing Executives
10/18–20 Scottsdale, AZ

Quality Assurance
10/16–18 Las Vegas, NV

For more information on specific study groups, contact: Philip Kralovec, (312) 853-2525.

The Executive Study Groups present semi-annual professional development programs for executives who would like to meet with their industry peers to share ideas and concerns. Executives in each of the aforementioned disciplines from member foodservice companies are welcome and encouraged to participate.

Get Sanitation Smart

The in-house training seminar, "Applied Foodservice Sanitation," is the newest addition to the nationally recognized sanitation certification program from the Educational Foundation of the National Restaurant Association.

AFS trains, tests and certifies management and key employees in sanitation practices. The cost-effective in-house format allows the practices to be taught at the same time in the same place at your discretion.

Twenty-one other foodservice topics–from the basics on up–are also available from the educational foundation in this format.

So don't be left in the dark–join the thousands of other industry professionals who have developed their skills with foundation seminars. For more information on setting up an in-house training program, call Jeff Harrison at 1-800-522-7578.

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PRESIDENT'S REPORT

Harris H. "Bud" Ruslitzky, President
Serv-Rite Food Service and Consulting Corporation
Pittsford, New York

We have just completed another successful Public Affairs Conference in Washington. More than 400 of us, representing 44 states, met and talked to our congressional representatives about the issues facing the restaurant industry—issues such as minimum wage, mandated health benefits, the business-meal deduction and the FICA tax on tips.

Three days like these are worth a year of lobbying by the pros. Our legislators really want to hear what we, their constituents, have to say.

[illegible] at Public Affairs Conference

One of the most enjoyable parts of the Public Affairs Conference is always the Chef d'oeuvre reception, in which conference attendees mingle with members of the U.S. House and Senate and sample food prepared by some of Washington's leading restaurants. This year, 15 senators and 231 representatives attended what has become a popular social tradition.

17 committees met at board meeting

During the board meeting, which took place in conjunction with the conference, 17 committees met to discuss association policy and programs. Specific task forces also met to plan our opposition to mandated-health benefits, to oppose any possibility of the blood-alcohol level being lowered for official definition of intoxication and to consider ways to increase the flow of legal immigrants into this country to add to our labor force.

No less pressing is the nation's solid-waste problem, a topic very close to my heart. I encourage all of you to attend our association's Solid-Waste Symposium, to be held on January 9 in Washington DC. Solid waste is a problem that concerns everyone, but is of special concern to restaurateurs. Come to the symposium to get a jump on issues that will be facing you and your community in the near future—if not already—and to learn what specific action you can take to fight waste problems on your own turf.

Get a jump on issues at the Solid-Waste Symposium, January 9

Last month I wrote that we had met with MADD (Mothers Against Drunk Driving) to discuss ways we could work jointly to combat drunk driving. We have had a second meeting with that organization, and at that meeting we agreed to work together on two proposals:

Association takes more action to fight drunk driving

(1) We will urge states to pass reasonable penalties for minors using false IDs to buy alcohol, and we will recommend that IDs or drivers' licenses for those under 21 bear a profile photo of the owner, while IDs belonging to those older than 21 bear a full-face photo, thereby making it easier for servers to recognize who is not of legal drinking age.

(2) We will also work with MADD and the Harvard Alcohol Program to explore the possibility of developing a national designated-drivers' program.

Also in the alcohol-awareness area, our association has produced a four-page brochure that advises young people of situations that could lead to driving while intoxicated or to riding with people who are driving drunk. It suggests how to avoid the kind of peer pressure that could lead to such situations. The brochures have been delivered to the American Driver and Traffic Safety Educational Association, which will distribute them to driver education teachers in high schools throughout the country.

[illegible]

It now looks as though Congress will repeal Section 89, the controversial law requiring businesses to conduct costly tests on employee-benefit plans to prove there is no discrimination. If this happens, it will be due in large part to the grassroots effort of people in our industry working with other small-business owners to convince legislators that the bill is complicated, cumbersome and unworkable. We can, and we do, make a difference.

Disabilities act is almost sure to pass

Coming up on the legislative agenda is the Americans with Disabilities Act (ADA), which gives the disabled legal protection against discrimination by employers and requires that public accommodations provide access to the disabled. Our association supports the concept of ADA but opposes the bill's ambiguous language and the extensive remedy provisions that could subject businesses to costly lawsuits. We also think Congress should be aware of the law's economic burden on businesses that must make costly adjustments to accommodate disabled employees and customers, and we are urging Congress to expand the existing tax credit for businesses that make these adjustments.

The House version of the bill, not yet approved, goes far beyond other civil-rights measures in the remedies it offers those who claim discrimination, including the possibility of punitive and compensatory court awards in lawsuits. The Senate's version, a vast improvement over the House bill, has already passed. It includes some amendments that partially lighten the burdens on businesses. President Bush is strongly in favor of ADA; the bill, in whatever form, is almost sure to be passed.

Check the new "Catalog of Publications"

Either you have already received or will soon receive the latest "Catalog of Publications," a list of titles published by the National Restaurant Association as a by-product of its activities. Be sure to look through the catalog; you may well find books or videos that will be useful to you and your business.

Sanitation training available through the educational foundation

Recent public attention has focused more than ever on food safety. We believe our industry must take a leadership position in meeting its responsibility to provide safe and wholesome food to customers. This knowledge and commitment should be a key part of each manager's job. Our association's educational foundation offers a certification program entitled "Applied Foodservice Sanitation." The program is available in several formats, including group study and seminars. For more information, call The Educational Foundation of the National Restaurant Association at 1-800-522-7578.

New members, welcome

This month we welcome 90 new regular members to our association and the 850 who became members when their state associations joined our group. We hope you will work with us to further the interests of our industry by taking part in our programs.

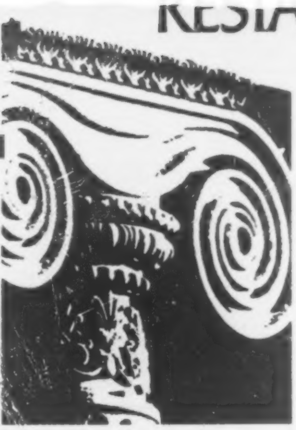
Sincerely,

Bud Rusitzky

Harris H. "Bud" Rusitzky
President and Chairman of the Board

COVER STORY: PARTICIPATION IS THE SUPPORT OF DEMOCRACY

There is strength in numbers—and nowhere is this aphorism more true than in the political arena. When restaurateurs work together to fight legislation that will hurt their businesses, they are heard. Now is the time to get politically involved. This special political issue of ***Restaurants USA*** tells you how to get started.



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Sen. Trent Lott (R-MS)

9 Public Affairs Conference report
This year's Public Affairs Conference attracted 440 restaurateurs who came to hear and be heard on the issues that affect their businesses.

13 The best solutions are holistic, not simplistic
Somewhere along the line, Congress has forgotten that there are no quick legislative fixes for serious social problems. It is only with a long-term, holistic approach that society's ills can be cured.

15 Politically active restaurateurs speak out
This article profiles politically active restaurateurs and describes how they got started and how they stay involved. Don't miss the practical sidebars.

21 Meeting the childcare challenge
Already a hot issue, childcare will continue to gain attention in the next decade both in and out of Congress. Some foodservice companies are taking the lead in providing childcare for their employees.

24 What's cooking in City Hall?
Here are some recipes from mayors across the country, who prove they have culinary as well as campaign savvy.

26 New game in town
Although game is not really new to restaurant menus, its healthful and versatile qualities, as well as its increasing availability, have given it a new popularity.

29 TJTC—the underutilized tax credit
The Targeted Jobs Tax Credit has provided sizeable savings for companies that hire eligible employees, but few restaurateurs take advantage of the credit.

32 Fast food labeling—back on FDA's plate
Just when you thought fast food packaging was off the hook, the government has reintroduced efforts to make ingredient-labeling mandatory.

34 The immigration law—three years later
Restaurateurs are still struggling with the massive paperwork and intricacies of a law that few people fully understand.

19 Writing to get your point across
Although a face-to-face meeting with a government official or elected representative is the most effective way to communicate, the written word can also make quite an impression. Here are some pointers for getting your message down on paper—with panache.

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- ☐ Carl's Jr. introduces educational aid
- ☐ Burger King offers tips for working moms
- ☐ New England Culinary Institute welcomes international students

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- ☐ It's all in the family
- ☐ A different kind of bug problem
- ☐ Death and taxes—and dinner
- ☐ Something to crow about
- ☐ Top tips
- ☐ Shopping for data

Cover photo by Mark Segal

SHORTORDERS

Burger King offers tips for working moms

In conjunction with this year's Labor Day, Burger King Corporation introduced a radio series targeted to working moms. The five-part series, entitled "Fast Facts for Working Moms," featured specific tips and information designed to benefit women who work both in and outside the home. The series was distributed to radio stations throughout the country.

"At Burger King, we recognize working mothers as a significant consumer group, and we are sensitive to the issues they face every day," says Gary L. Langstaff, executive vice president, marketing, for Burger King Corporation in Miami.

Each program featured tips on a single topic, including day care, getting kids "back to school," time management, regular exercise and eating on the run. In the day-care spot, for example, the ad urged parents to observe the day-care setting for the teachers' attitudes and conduct towards the children, and the types and number of toys that are available. The ad also encouraged parents to make unexpected visits to the center and to ask kids daily what they did and what they ate.

In addition to the tips, the program included a fact sheet of statistics on working women provided by the U.S. Department of Labor Women's Bureau, 1988 Annual Averages and "Media targeting for the 90s," by R.H. Bruskin, 1986.

Kaiser Foundation is championing low-fat eating

The table knife is a more dangerous weapon than a stiletto. This may sound preposterous, but according to health experts at the Henry J. Kaiser Family Foundation, the table knife can be a health hazard because it is so often used to cut and spread high-fat foods. The message is one of four themes developed for a series of public-service announcements and is exaggerated to attract attention, especially the attention of those who have yet to be convinced of the connection between a high-fat diet and disease.

The message does not stop there. Consumers are encouraged to call a toll-free number for more information on low-fat eating. The brochure they receive after calling provides practical tips to help make low-fat eating an everyday habit.

If you want to see what they'll be getting, call 1-800-EAT-LEAN for the brochure, which includes tips for eating low-fat foods in restaurants.

Kaiser is also funding community-based education efforts on low-fat eating. Grant recipients in 10 communities across the country will be working to educate the local public on how to reduce fat in their diets. Four of these projects (in Baltimore, Las Vegas, Virginia and New York City) have restaurants operating among their target audiences.

New England Culinary Institute welcomes international students

How to attract students from abroad. **Eight international students began their studies at the New England Culinary Institute in Montpelier, Vermont, this year. They come from Austria, Canada, Morocco, Mexico, Taiwan, the Philippines, Japan and the West Indies. These students looked for a strong support system, personalized attention and a low student/teacher ratio.**

Carl's Jr. introduces educational assistance

Carl's Jr. is piloting a prepaid educational assistance program for its employees in nine California restaurants. If the program is successful, it may be expanded to the entire Carl's Jr. system.

The program pays the majority of costs up front for a student's college or school of choice, for both credit and/or noncredit courses, as long as the student fulfills the program's simple requirements. This benefit, based on the number of hours worked per week, is offered to both full and part-time employees and can be transferred to eligible family members. Employees working 10 to 15 hours per week receive up to $125 per term, those working 16 to 25 hours receive up to $225 and those working 26 or more hours receive up to $350. Regardless of the number of hours worked over the 10-hour minimum, the book allowance is $30 per term and the travel allowance is $25 per term.

Carl's Jr. developed the program jointly with Dr. Robert J. Kopecky of The Excellence Group, Inc., in Troy, Michigan. Dr. Kopecky works with Carl's Jr. to administer the program. Dr. Sal D. Rinella of California State University, Fullerton, will conduct research to evaluate the effect of the program.

A similar program has been tested by a Burger King franchisee in Detroit, and research by Dr. Rinella indicated that prepaid education incentives can reduce employee turnover, attract applicants, maintain high employee morale and raise productivity.

Eligible prepaid items include tuition, registration fees, lab fees, course fees and all mandatory fees associated with the selected classes—up to the amount authorized by Carl's Jr.

New York restaurateurs battle underage drinking

Many states make selling alcoholic beverages to minors an offense that can jeopardize an operator's liquor license. An increase in the use of false IDs increases the potential hazards for the operators, without, in many states, corresponding repercussions on the users of fraudulent or borrowed IDs. The New York State Restaurant Association has successfully fought to remedy this situation in New York.

The New York State Restaurant Association, in conjunction with the tavern and package-store associations, has focused its state legislature's attention on a growing industry problem: underage drinking.

According to New York State Restaurant Association Executive Director Fred Sampson, many restaurateurs, especially caterers, believe the current laws are not sufficient to discourage use of false documents, and to protect the restaurateurs. He maintains that the use of fake IDs is an obvious attempt to circumvent the laws prohibiting the sale or serving of alcohol to those under 21 years of age and adds that the practice places restaurateurs and their employees at risk.

"We were following the law—proofing. They (minors) would show us an altered ID, and we'd serve them," he reports. It wasn't until later, when the minor got into trouble, that the operator discovered the ruse, and whether he had proofed the minor or not was not a consideration in determining guilt or liability.

"It was the attitude of authorities that if you challenge a customer [to present an ID], there is doubt in your mind, and therefore you should be perceptive enough to detect a fraudulent ID. It's virtually impossible," Sampson says. This spring he and a group of New York restaurateurs were finally able to convince lawmakers that presenters of false IDs are a real dilemma for the industry.

One of their suggestions, which passed easily in both houses of the state legislature, made presentation of a false ID a violation of law, punishable by community service and/or a fine.

As stated in a letter from Sampson to Chairman Thomas W. Libous of the New York Committee on Alcoholism and Drug Abuse, "A signal must be sent to the underage population that they too must adhere to the laws of the state and that the use of fraudulent IDs does carry with it a penalty."

These penalties must be reasonable, argues Sampson, or they will not be enforced. He cites a statement by the National Restaurant Association that explains that many states already have laws to prohibit the use of false IDs but recommend such harsh penalties (such as major fines and lengthy imprisonment), that officials are hesitant to enforce them.

"We didn't feel offenders should go to jail, but they should be made to understand that they had violated the law," says Sampson. "We now also have a possession law that makes it illegal to have, as well as buy, alcohol if you are under 21," Sampson adds.

Another provision of the recently passed New York state law requires operators to post notice to customers that those underage or intoxicated shall not be served. The notice must also state the consequences of violating laws regarding presentation of fraudulent identification. Sampson believes the notice will alert underage customers and remind operators to continue being vigilant.

A companion provision makes it possible to revoke the driving privileges of an individual who loans a minor his or her license.

"We think this will be a deterrent, particularly in a situation where, for example, a brother would lend his license to a younger brother," Sampson explains.

The underage drinking problem

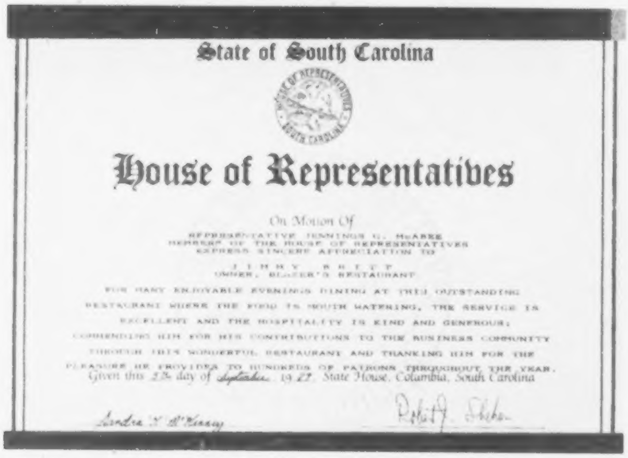
Recent studies have identified the broad scope of the underage drinking problem. According to a study in *Psychological Reports* magazine, 81 percent of underage college students use alcohol, while only 75 percent of students 21 and older use alcohol. A second study by Professor Angelo Gadaleto of West Chester University in West Chester, Pennsylvania, and Professor David Anderson of George Mason University in Fairfax, Virginia, revealed that 58 percent of student respondents report an increased use of false identification documents to purchase alcohol over the last three years.

California restaurateurs donate 10 tons of leftovers

LOS ANGELES
REGIONAL
FOODBANK
(213) 234-3030

***No wasted leftovers.* More than 10 tons of food and a half ton of paper goods left over from the 1989 Western Restaurant Convention and Exposition were donated by the California Restaurant Association to the Los Angeles Regional Foodbank. Lora Blanchard, foodbank products donation manager, and Stanley R. Kyker, CRA executive vice president, were on hand to help volunteers load the trucks.**

A thank-you from the floor



State of South Carolina

House of Representatives

On Motion Of

REPRESENTATIVE JENNINGS G. McABEE
MEMBERS OF THE HOUSE OF REPRESENTATIVES
EXPRESS SINCERE APPRECIATION TO

JIMMY BRITT
OWNER, BLAZER'S RESTAURANT

FOR MANY ENJOYABLE EVENINGS DINING AT THIS OUTSTANDING RESTAURANT WHERE THE FOOD IS MOUTH WATERING, THE SERVICE IS EXCELLENT AND THE HOSPITALITY IS KIND AND GENEROUS; COMMENDING HIM FOR HIS CONTRIBUTIONS TO THE BUSINESS COMMUNITY THROUGH THIS WONDERFUL RESTAURANT AND THANKING HIM FOR THE PLEASURE HE PROVIDES TO HUNDREDS OF PATRONS THROUGHOUT THE YEAR.

Given this 23rd day of September, 1987, State House, Columbia, South Carolina

Sandra K. McKinney

This is not a joke. **The legislators of South Carolina seem to appreciate fine food. At least that's what one would think from this official resolution.**

Initiatives in other states

Actions like those of the New York State Restaurant Association, which compel legislators to seriously examine the effectiveness of state alcohol laws, are being initiated in many other states as well.

The National Restaurant Association Board of Directors has passed a three-pronged resolution concerning alcohol usage by the underaged to serve as a guideline for states formulating fraudulent ID laws. The resolution states:

1. The National Restaurant Association supports legislation that will make it illegal for an individual under the legal age to misrepresent his or her age by use of false identification or any other method for the purchase of alcohol.
2. Misrepresentation of age should be punishable by suspension of that person's driver's license for a period of not less than 90 days. This suspension is supported by the National Commission Against Drunk Driving.
3. Producers of false IDs for minors should be subject to incarceration and/or fine.

—Linda Way

Restaurant golfers raise $7,000 for scholarship fund

In perhaps their last official scholarship fundraiser as the Colorado/Wyoming Restaurant Association—the group will split into two separate organizations this November—73 golfers teed off in the Second Annual "Mile High Hospitality Open." The tournament was hosted by the group's Mile High Chapter to benefit the Donald Quinn Educational Fund. The scholarship program is dedicated to the advancement of professional standards in the foodservice and hospitality industry. This year's tournament generated $7,000 for the fund.

The 1989 scholarship recipients are: Tanya Beauprez, University of Denver; Jenifer Bullock, Colorado State University; Trent Hosselkus, University of Nevada; Frederick Houser III, Red Rocks Community College and Lura Padrutt, Colorado Mountain College.

Board members discuss strategies with MADD officials

Michael Grisanti, past president of the National Restaurant Association, and Bill Latham, chairman of the association's Alcohol Awareness Task Force, met with officials from Mothers Against Drunk Driving (MADD) to discuss ways the two organizations can work together to combat the problem of drinking and driving.

During the Dallas meeting, Grisanti and Latham agreed with MADD President Micky Sadoff that there are many areas in which the two groups can work together. "We don't see eye to eye on all methods of reducing drunk driving, but we do agree on the overall, basic premise—drunk driving must be stopped," reported Latham.

A second meeting, held between MADD officials and association staff, resulted in two joint resolutions, approved by the National Restaurant Association board at its fall meeting. First, the association and MADD will work toward the establishment of a national designated-driver program, with a program outline and symbol that will be recognizable in establishments across the United States. Second, both groups will work toward the establishment of a universal identification card that red-flags underaged card holders and eliminates the current confusion caused by varying state IDs.

—Anne Papa

1990 Show Exhibitor Advisory Committee meets

Thinking of 1990. **Believe it or not, planners are already hard at work to make certain the 71st National Restaurant Association Restaurant, Hotel-Motel Show, to be held in Chicago May 19-23, 1990, is bigger and better than ever before. Last month, Convention Committee Chairman Dick Cregar (seated, fourth from right) met with the 1990 Exhibitor Advisory Committee to discuss ways to build on the success of the 1989 Show.**

440 RESTAURATEURS PUT POLITICS ON THEIR MENU

There is no doubt that legislators knew that the National Restaurant Association was on Capitol Hill during the three days of the Public Affairs Conference in September. Nearly 450 restaurateurs from 44 states traveled to Washington DC to tell their representatives how pending legislation will affect their businesses and to hear from congressional leaders on the issues, which ranged from the minimum wage to the Americans with Disabilities Act (ADA). "Ten thousand letters are not worth one single visitor," proclaimed Senator Trent Lott (R-MS) in his speech on the first day of the conference. His message was repeated often.

It was an enthusiastic crowd that heard this advice, and the largest ever—nearly 100 more than the year before. And it took action. Typical was the determination of the New York delegation, which visited 22 congressional members. The Missouri restaurateurs reported that they saw both of their senators and eight out of nine of their representatives, telling them, "If you don't do something for us, you should be prepared to set up catastrophic health care for small business."

The program begins

Conference chairman Joe Fassler (Greyhound Food Management, Phoenix) opened the conference; political involvement was his topic. "The most important part of this conference is your visit to your representatives," he said.

National Restaurant Association President Bud Rusitzky took the message one step further and urged the attendees to invite their representatives to their restaurants. "Show them the hard work that goes into making your restaurant run. It's a great opportunity to educate them about our business," he said.

Legislators speak out

Then attendees heard from some of the most prominent and influential legislators on Capitol Hill. The speakers represented different ideological viewpoints and approaches to legislation, but they were unanimous in congratulating the conferees for their political awareness and willingness to get involved.

Senator Lott was the first speaker to outline some of the

Sen. Lloyd Bentsen (D-TX) spoke about the need to increase America's competitiveness in the world marketplace. He also discussed the budget deficit.

Conference attendees were interested in what congressional leaders had to say about the legislative issues that affect their businesses.

Marty LeVor, ©1989

◀ Rep. Steve Gunderson (WI) explained some of the motivation behind bills currently pending in Congress.

At Chef d'oeuvre, restaurateurs were able to get the ear of lawmakers in an informal setting. Here Rep. Charles Stenholm (D-TX) listens to conferee Ann Dennison. ▶

Biff Naylor called on representatives from each state to report on their congressional visits during the Public Affairs Conference's wrapup session.

Biff Naylor: champion of political involvement

"I hate to think where restaurants would be if we were not politically active," says Biff Naylor, president of American Restaurant Services, Inc., in Los Angeles, and chairman of the Political Educational Committee (PEC) of the National Restaurant Association. In addition to running an organization of seven coffee shops in California with his brothers, Naylor maintains an interest in an important, but often ignored, arena of the restaurant business: politics.

Active on foodservice issues since the late 1970s, Naylor first got involved in the political side when he heard that the owner of a small restaurant in Santa Monica was in jeopardy of losing his business. The California city was making no exceptions to proposed parking requirements that would have forced the man's restaurant to fold.

"I said to myself," Naylor recalls, " 'this isn't the way America's supposed to be.' " So he rallied with several other foodservice operators and went before the city council to argue for a grandfather clause that saved the man's business.

"It's really quite simple," says Naylor, "to influence governmental decisions. Our elected representatives can't hope to be expert in everything. Legislators want to know about the foodservice industry, and we are in a position to help them be more knowledgeable."

Naylor admits that "political involvement takes a commitment, but it has some great rewards." For instance, during the election of 1988, Naylor and other California foodservice operators were threatened with Proposition 95, an initiative to raise funds to house the homeless through mandatory fines on restaurants and grocery stores for inspection violations.

Faced with a poll showing 95 percent of the public in favor of the plan, Naylor and other California restaurateurs organized a dramatic turnaround. Within 90 days, advertising and lobbying by the foodservice industry helped to convince the legislature and the public that the plan was unfair. "Although the idea of homes for the homeless was good in theory," says Naylor, "funding it by penalizing the area's businesses was not, and still is not, the answer."

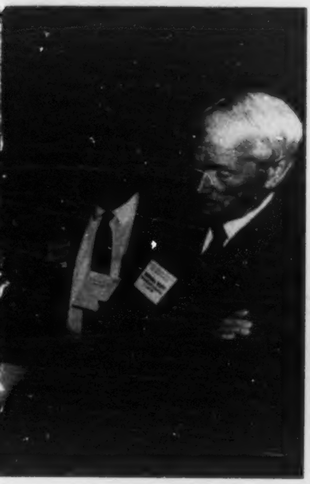
Aside from joining specific lobbying battles such as Proposition 95, Naylor works with the National Restaurant Association Political Education Committee to promote "a real rapport" between the foodservice industry and members of Congress. With corporate contributions raised by PEC's fundraising arm, the Congressional Leadership Forum, PEC sponsors events such as the annual Public Affairs Conference, the Congressional Visit Program (which brings senators and congressmen to Chicago for the annual industry show), monthly "First Thursday" meetings between industry and government representatives, and other honoraria events held throughout the country organized by state restaurant associations and members of the National Resaurant Association's grassroots network.

The honoraria supplied by PEC provide opportunities for educational discussions between constituents and representatives that might otherwise be missed. "The foodservice industry provides employment opportunities to many who might otherwise be unemployed," says Naylor. "We have our finger on the pulse of the community, whereas politicians do not have the same knowledge."

By educating U.S. legislators about foodservice and restaurateurs about politics, the work of Naylor's Political Education Committee has helped to improve the environment in which all restaurants operate. Knowing that "the government has already passed many harmful laws and would have passed more without our lobbying efforts," Naylor emphasizes that the foodservice industry must remain active in politics to maximize its business potential.

—Andrew McLauchlin

Editor's note: For more information, call the Political Affairs Department of the National Restaurant Association, 1-800-424-5156.



National Restaurant Association President Bud Rusitzky opened the program, urging attendees to educate their legislators about the foodservice industry.

issues facing Congress. On minimum wage he said he hopes President Bush "sticks to his guns" on the $4.25 per hour and six-month training-wage proposal, but he couldn't predict the outcome. He urged the restaurateurs not to let up on their resistance to mandated-health benefits by warning them that, "if we don't deal with it this year, we will next year."

Rep. Charles Stenholm (D-TX) told the participants that the biggest issue that Congress must face is the federal budget deficit. "It's not a liberal or conservative or Democrat or Republican problem," he said. "It's *our* collective fault, and we must begin to deal with it." He also encouraged the attendees to work together to get things accomplished politically. "Labor groups have that solidarity that business groups don't. You must support your colleagues, and they'll support you," he continued. He told the audience to approach their lobbying efforts realistically. "Look at the total picture—don't get too focused on one narrow issue."

Sen. Robert Michel (R-IL), House Minority Leader, called on his more than 30 years on the Hill to try to put the issues that are pending in Congress—including Section 89, budget reconciliation, child care, ADA and catastrophic health care—in the context of the times. "Bush is a hands-on President with a great instinct for public service. He's involved directly with every issue," explained Michel. "A popular and active President isn't easy to attack, which makes it difficult for the Democrats."

Sen. Lloyd Bentsen (D-TX), chairman of the Senate Finance Committee, opened the second day's events with a talk that focused on the budget deficit. He proposed that the government take measures to encourage people to save more. He also cautioned that the American free-enterprise system was not faring too well in the world's marketplace and that the United States needed to regain its competitive edge through hard work and better education.

Rep. Steve Gunderson (R-WI) was the last legislator to address the group. As a deputy whip for the Republican party and a member of the powerful House Education and Labor Committee, Gunderson brought an impressive expertise and confidence to his discussion of the issues that concern small business. He started by thanking the National Restaurant Association and its members for lobbying so hard to repeal Section 89. "Your organization and other business groups have really mobilized on this issue, and we appreciate your support," he said.

Gunderson closed his presentation with an overall view of what is going on in Congress. "Every piece of legislation says there are real needs for real people. But there is no

North Carolina on Capitol Hill

When Jerry Williams drove four-and-a-half hours from Raleigh, North Carolina, to Washington DC, he came to talk politics, joining six other North Carolinians at the National Restaurant Association's Public Affairs Conference to meet face to face with their elected government officials.

On September 19, Williams, the executive vice president of the North Carolina Restaurant Association, led his association members on a barnstorm tour of the offices of their state's senators and congressional representatives.

Conducting earnest discussions on issues pertinent to the foodservice industry, the North Carolinians informed these representatives about their views on certain issues that directly affect their businesses.

They told Rep. James McClure Clarke (D) that requiring businesses to provide "what amounts to national health benefits could just murder us financially," and Rep. Tim Valentine (D) about the unfairness of restaurants paying Social Security taxes on employee tip income. "We shouldn't have to make Social Security payments on 100 percent of tips, if we can't count tips 100 percent towards the minimum-wage requirement," they said.

Although unsuccessful in meeting with every North Carolina representative during the day, the group did meet with more legislators at the Chef d'oeuvre congressional reception later that evening, thus speaking with seven of 11 members of the House and one senator from their state.

Taking time off from everyday business concerns to meet their members of Congress, the seven North Carolina natives gave important constituent input. As Williams said after heading home, "I think we got some good information across."

Seven conference attendees from North Carolina stormed the Hill to meet with their lawmakers.

At Chef d'oeuvre, National Restaurant Association Vice President Mike Hurst had a chance to converse with new representative Ileana Ros-Lehtinen from his home state of Florida. The Florida delegation met with the congresswoman in her office earlier in the day.

money in the budget to pay for them. So the burden is shifting to business," he explained. "Make sure you tell your representatives that you know this is what's happening and what your concerns are." That's just what the attendees did.

Charging the Hill

Armed with issue papers and a determination to be heard, the conference participants organized into state delegations and made their scheduled visits to their congressional representatives. Most delegations enthusiastically reported great success in getting their messages across. Most felt "a great sense of them listening to us," and several believed they could count on their legislators to vote with small business in mind.

Discussions continue at Chef d'oeuvre

The conversations continued at the annual Chef d'oeuvre reception, which attracted more than 230 members of Congress and 15 senators—more senators than ever before. The reception offered a less formal opportunity for the restaurateurs to talk with their representatives about the issues, and it was also a chance for the legislators to enjoy the feast provided by eight of Washington's finest restaurants—from lobster bisque to fusili carbonara.

The knowledge that they make a difference

The Public Affairs Conference was an event that the attendees are likely to remember. They will take their lobbying experience back home as they gear up to face further legislative battles; but more important, they will carry back with them the knowledge that they make a difference and that it pays to stand up and be counted. ❑

—Elizabeth Wallace

DC Roundup

☐ **Senate passes landmark disabled rights bill.** The U.S. Senate passed S. 933, the Americans with Disabilities Act, by a 76-8 vote on September 7. The measure requires employers to make "reasonable accommodations" to the special needs of disabled workers, unless these accommodations impose an "undue hardship" on the company.

S. 933 also requires existing public places—including restaurants and bars—to take all "readily achievable" steps to make themselves accessible. New buildings would have to be accessible, except when structurally impractical.

The debate now shifts to the House, where a more stringent measure (H.R. 2273) is pending. The National Restaurant Association is lobbying Congress

- to clarify businesses' responsibilities,
- to give financial help to employers who make structural and other changes to accommodate the disabled,
- to exempt small businesses and
- to postpone the law's effective date to give businesses time to adjust to the new requirements.

☐ **House labor panel passes new wage bill.** Hoping to revive the minimum-wage debate in time for Congress to pass an increase this year, the House Education and Labor Committee joined the Senate labor committee in approving a wage bill. The panel's action clears the measure for debate by the full House. The Senate measure is also ready for full Senate debate.

☐ **Treasury Department moves Section 89 compliance date.** For the third time this year, the U.S. Treasury Department has delayed the implementation of Section 89 nondiscrimination rules for employee-benefit plans. Employers can now wait until December 1, 1989, to begin testing benefit plans for discrimination and giving employees required notice about benefit plans.

The National Restaurant Association is urging foodservice operators to use the extra time to lobby Congress for complete repeal of the law. Although a movement is afoot in both the House and Senate to reform Section 89, supporters of repeal are increasingly confident they have enough votes to overturn the complicated law.

☐ **Association files legal brief to ban INS subpoenas.** Both the Texas and National Restaurant Associations last month filed "friend of the court" briefs in a federal appeals court to support the case of a Texas foodservice operator.

Restaurateur Gilbert Ramirez is challenging the authority of the Immigration and Naturalization Service (INS) to issue subpoenas when investigating employers for hiring or paperwork violations under the 1986 Immigration Reform and Control Act. Ramirez and the restaurant associations argue that Congress intended to delegate subpoena power only to administrative law judges in order to curb heavy-handed use of subpoenas by INS.

☐ **OSHA II bill reintroduced.** Rep. Joseph Gaydos (D-PA) is again sponsoring the "High Risk Disease and Notification Act" that the National Restaurant Association and other business groups were instrumental in defeating last year.

This year's measure, H.R. 3067, would set up a nine-member panel to identify and notify workers at risk of occupational disease. In some cases, employers would have to pick up medical monitoring costs for both current and former employees. Hearings are not likely to be held until next year.

—Denise Roach

VIEWPOINT

THE BEST SOLUTIONS ARE HOLISTIC, NOT SIMPLISTIC

Most of us agree that something needs to be done about the problems of impoverishment, of working parents and of uninsured Americans. But the quick fixes proposed by Congress in 1989 are not the answer to these puzzles. Some of Congress's proposed solutions, although seemingly straightforward and well-intentioned, simply do not consider the entire picture. Instead of effectively attacking the nation's problems, these proposals actually would result in widespread business failure, cutbacks in jobs and higher consumer prices.

Restaurateurs share trepidation about these misguided measures with countless Americans across the country. But they also have a vested interest in solving the nation's perplexing social problems. So besides lobbying against Congress's pat, simplistic proposals, the National Restaurant Association has been urging Congress to find wide-ranging, thoughtful and comprehensive alternatives that will bring significant assistance to exactly where it is needed, without placing an unnecessary burden on any one sector of the economy. And in most cases, newer, more effective solutions are arising to prove that the best solutions involve time and thought as well as compassion.

Helping the working poor

A perfect example of an issue in which the "obvious" solution decidedly is not the most-effective answer is the minimum wage. Short-sighted lawmakers reason that the best way to help America's working poor is to raise the minimum wage from its current $3.35 an hour. The lawmakers argue that the boost not only would help the nearly 5 million workers earning the minimum wage, but also would push up the pay of the working poor who make little more than today's legal minimum.

For restaurateurs and other business owners who employ a large number of workers at the minimum wage, however, the case is not so cut and dried. These employers argue that raising the minimum wage would actually hurt exactly those whom the measure is intended to help. As labor costs increase, the number of employees a business can keep on its payroll is reduced. Minimum-wage earners, because they are less experienced and less skilled, are generally the first to go.

In addition, many of those working at the minimum wage cannot properly be called the "working poor." Barely more than one-tenth of the low-wage workforce of the retail industry, for example, consists of workers from families living below the poverty line. Two-thirds of the retail industry's low-wage workers come from families earning twice the poverty level, and 20 percent come from families earning more than $50,000 a year. Similar percentages also hold for the rest of America's low-wage workforce.

In place of a minimum-wage increase, the association supports the development of programs that actually target heads of low-income families and help them gain a better standard of living. The Earned Income Tax Credit (EITC), for example, accomplishes this goal.

EITC is now worth up to $875 a year to eligible workers, who can either apply for the refund at tax time or receive the credit in their regular paychecks by asking employers to set up a "negative withholding" system for payroll taxes. In the past year certain lawmakers, such as Representative Tom Petri (R-WI), have sought ways to effectively expand the EITC.

Petri and other members of Congress proposed increasing the base credit and then allowing extra credits for each child in a family. In this way the credit, which would shrink gradually after a family's annual earnings rise above $8,000, is designed to offset child-care expenses, one of the biggest problems faced by low-income working parents.

"This achieves the same objective as an increase in the minimum wage but does it in a far better and more targeted way, while avoiding the job losses and inflation associated with minimum-wage increases," says Petri.

The National Restaurant Association has long supported EITC as a better way to help the working poor than a minimum-wage increase, and in 1989 many prominent economists and newpapers voiced agreement. A *Los Angeles Times* syndicate editorial, for example, stated that, "By increasing the size of the Earned Income Tax Credit for all poor working families, we can aid low-income families without victimizing jobs."

Senator Ted Kennedy (D-MA) called raising the minimum wage "something like an anti-poverty program for the working poor without any federal spending." This measure sounds seductive in a time of budget constraints, especially when compared with expanding the EITC, which would involve compensating the Treasury with other tax revenues. But the higher taxes needed to fund the Earned Income Tax Credit can be spread equitably across those able to pay, while higher minimum wages would punish teenagers and other low-paid workers, whose entry-level jobs would be phased out.

Helping the uninsured

The National Restaurant Association's battle against simplistic legislation also involves efforts to help the 32 million Americans who lack health insurance. Since many of these individuals are employed, some legislators believe the solution is to require all employers to provide health-care coverage to employees and their families.

The association believes that this solution is as potentially damaging as raising the minimum wage. And once again, the association has been working closely with legislators to develop thoughtful, comprehensive alternatives that would help those in need without crippling businesses.

Why would it be a mistake for the government to mandate health benefits? A National Restaurant Association survey indicates that for restaurants with annual sales under $500,000—the category into which about 82 percent of all eating places fall, according to 1982 Census figures—the legislation carries a price tag of at least 4 percent of gross sales. This figure is also the average net profit for restaurants of this size. These employers, therefore, simply cannot absorb the cost. Businesses would cut jobs, raise prices, lower wages and fail. In addition, with its high turnover and large numbers of part-time workers, the foodservice industry would face tremendous administrative costs under a mandated-benefits system.

Because mandated-benefits legislation spells disaster for foodservice operations, the association has been working closely with Senator Orrin Hatch (R-UT) to develop alternatives that would solve this problem without harming small businesses. Senator Hatch has introduced a bill that takes a long-term view as an alternative to Kennedy's stopgap mandated-health benefits program (S. 768), which would require employers to provide workers with a variety of benefits.

A perfect example of an issue in which the "obvious" solution decidedly is not the most-effective answer is the minimum wage.

Senator Hatch's bill provides additional funds for prenatal and preventive health programs and education, preemption of state-mandated-health insurance benefits, expansion of Medicaid benefits, and development of treatment practice guidelines to reduce medical malpractice liability. Hatch intends to sponsor or support future bills that will call for additional reforms, such as improved tax treatment of small-business insurance benefits. In other words, the Hatch bill bypasses the quick-fix answer and constructs a comprehensive response to a major societal problem. This bill—and the other bills to follow—will come at the need for adequate health care from a variety of angles. In the end, the Hatch type of approach will provide insurance in some situations and make it possible for business to offer coverage voluntarily in other instances.

The National Restaurant Association actively supports Senator Hatch's bill because it appropriately addresses the problem of the nation's access to adequate health care. We believe that by taking an incremental approach, some of the problems can be solved immediately while other, far-reaching solutions are developed.

Helping working parents

The issue of mandatory parental and medical leave is another area in which a "quick fix" approach may do more harm than good. There is a real need to help people who need time off for family or medical reasons. But federally mandated benefits restrict operating flexibility and deny employees the chance to choose benefits.

In addition, as is often the case with quick fixes, the solution does not zero in on the most pertinent aspects of the problem. For example, the National Restaurant Association believes that parental leave is a far less pressing problem than finding facilities in which to place children during working hours. Rather than requiring employers to give workers job-protected time off, Congress should make the day-care issue a priority, exploring ways, for instance, to make it easier for businesses to group together to sponsor childcare facilities.

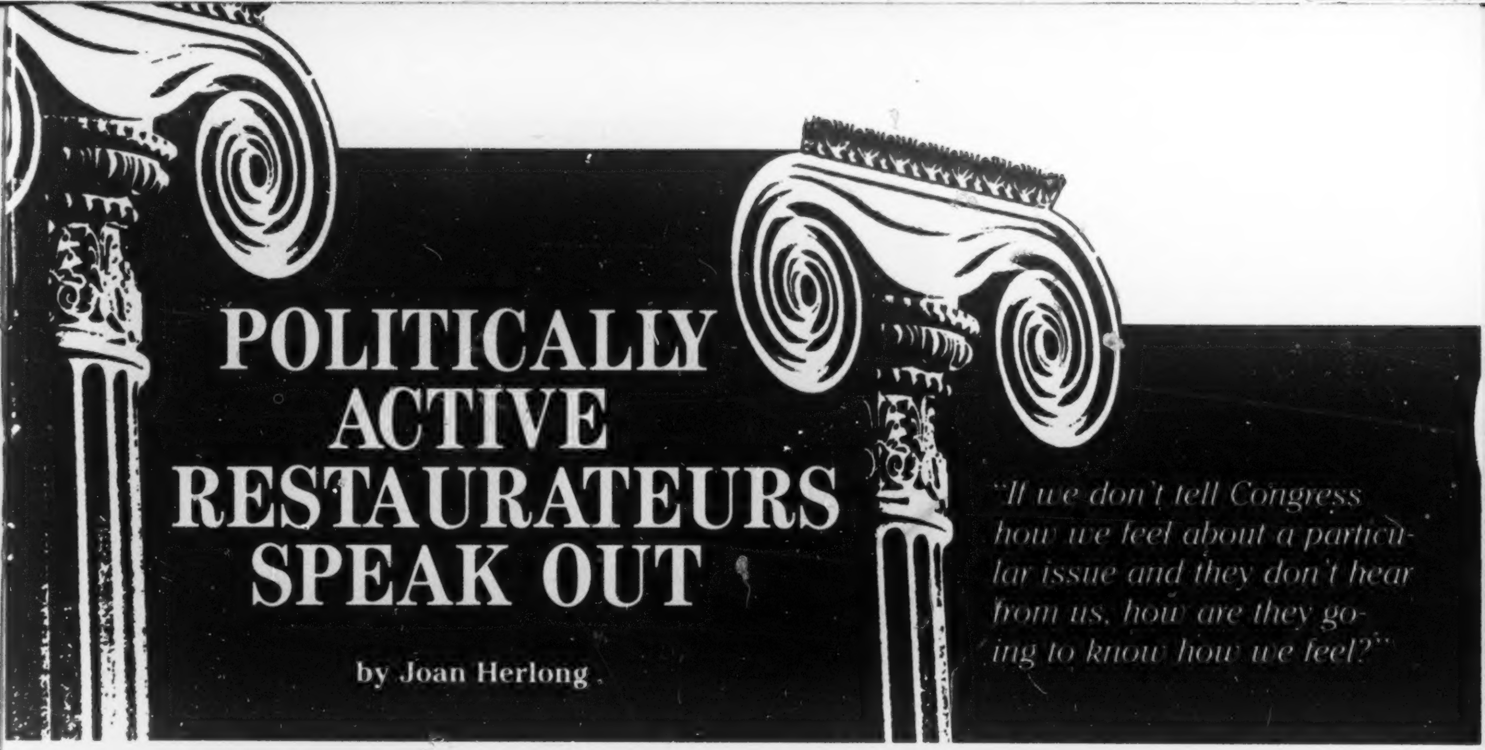
A short-sighted blanket federal policy won't work for several reasons. Businesses are as different as the products or services they produce. Some are large and well-established; others are fledgling companies that need flexibility. Some can get along without an employee for a while; others will find it difficult to hold a job open for 15 weeks—or to absorb the costs and lost time that come with finding and hiring a replacement. A single federal policy for all these businesses is a bad idea.

Finally, a lot is going on in the health-care and childcare arenas that lawmakers don't know about. Many restaurant owners and employers are responding to their employees' needs informally. Because it is increasingly difficult to find and keep good employees, wise employers take care of those they have.

The association argues that some employers are simply allowing parents to take time off or are providing more flexibility of scheduling to coordinate with childcare conflicts. Obstacles arise when small businesses try to institute a formal policy.

Association spokesmen and spokeswomen have advised legislators that the best approach to encourage this behavior legislatively is for Congress to offer incentives to employers who want to provide good benefits and better wages.

Too often, lawmakers' instincts are to solve problems now, even if that means the solutions aren't as good as they might be if they were given more time and thought. The ultimate goal should be legislation that is stimulating to business and supportive of employees' social needs. This requires a holistic, not a simplistic, approach to the problems this nation faces. ❑



POLITICALLY ACTIVE RESTAURATEURS SPEAK OUT

by Joan Herlong

> *"If we don't tell Congress how we feel about a particular issue and they don't hear from us, how are they going to know how we feel?"*

Important political issues such as parental leave, the minimum wage and mandatory health benefits keep cropping up on the political landscape. Because such bills can have devastating repercussions on restaurants, it's vital that restaurateurs do more than just brace themselves for the future. The foodservice operators interviewed for this story demonstrate how easy and necessary it is to arm yourself with a pen or a phone to prepare for your business's future.

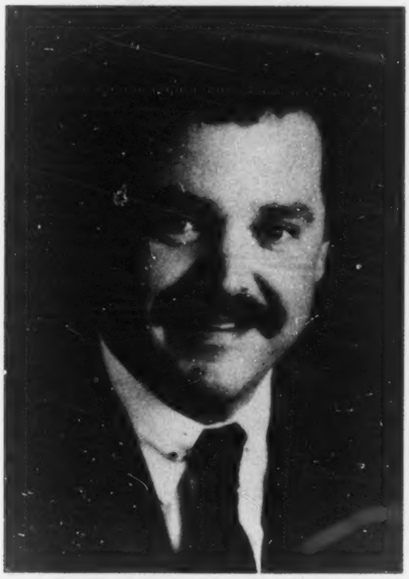
Personal contact will get legislators listening

The business of running a restaurant often leaves little time for anything else. Although **Don O'Neill,** owner of The Spring House Restaurant in Rochester, New York, empathizes with other time-pressed restaurateurs, he feels it's important to make time for politics. "I work 70 hours a week, too," says O'Neill. "If somebody doesn't show up, I'm right there working in the kitchen. But if we don't tell our congressmen how we feel about a certain issue, how are they going to know?"

About three years ago, Don O'Neill met his congressman, Frank Horton, for the first time during the National Restaurant Association Public Affairs Conference. Now O'Neill regularly corresponds with him, updating him on various issues.

"The first time I met Congressman Horton I was so nervous I didn't know what to say," O'Neill recalls. "I couldn't believe how easy it was to talk with him—he's just a regular guy like anybody else. And he had been in my restaurant." Afterwards, O'Neill wrote him a note and later invited him to dinner to talk further with him and two other restaurateurs. "He brought one of his aides and stayed for two hours. I got to know him better," says O'Neill. The next year, Horton came to the Show in Chicago and O'Neill showed him around.

"I found he wants to listen to our point of view. A lot of things and their effect on our business—like the minimum wage—hadn't even dawned on him. He was also very surprised to learn that I have a lot of long-term



"It really is easy for an individual to make a difference," says Beirne Brown. "I can accomplish so much in just one hour per week."

"I see myself as playing an advisory or educational role for my representatives," says Bill Leichsenring, Jr.

Joan Herlong is a freelance writer in Greenville, South Carolina.

employees. Any message you have is extremely easy to convey to your congressman. All the lobbyists in the world don't have the same impact as a single voter like me.

"Now I don't hesitate to pick up the phone when I feel strongly about a certain issue . . . And to think I would never have done this if it weren't for the Key Contact program.*"

Rep. Frank Horton (R-NY) took part in a roundtable discussion with constituent Don O'Neill at this year's Show in May.

A little time can yield big results

Beirne Brown, president of Cuisine Management, Inc., in Naples, Florida, owns five restaurants and a catering business. Yet he still finds time to be active in political issues affecting the restaurant business.

Brown believes it's essential for restaurateurs to be politically active because "If small business were run like big government, there would be no small business. I've never considered myself a political animal, but as long as I'm in the restaurant business I feel it's my duty to be active.

"Times have changed," Brown continues. "It used to be that we could just concern ourselves with the food—making it good, hot and wholesome and keeping the customer happy. Now we must also be aware of where we stand on the political horizon. If you let 'the other guy' do all the work, it will be too late. If you're not involved, you're part of the problem instead of the solution.

"I can accomplish so much in just one hour per week," says Brown. "For example, this week I made about 10 calls, wrote five letters [to lawmakers] and did a little background reading. It really is easy for an individual to make a difference. I've

Communicating over the telephone

Calling your congressman or senator can sometimes be more effective than writing a letter, provided your message is concise. Use the following points to guide you in making your call:

☐ Be clear in your own mind about the points you wish to cover.

☐ Write down your points and keep them in front of you when you call.

☐ Refer to legislation by bill number or sponsor.

☐ Ask your legislator to take specific action.

☐ Ask for a written response. Be sure to leave your name and address.

Most likely you will not speak to your representative on the first call but will instead be directed to a legislative assistant. When this is the case, either pinpoint the best time to call back or simply speak to the staff member assigned to your issue. Your message will get back to the legislator.

You may contact your legislator's office by calling the U.S. Capitol Switchboard at (202) 224-3121. The operator will connect you to the appropriate office.

Follow up with a letter citing the day you called, the person with whom you spoke and the issues you discussed, and ask for a response.

Meeting in your legislator's office

If your legislator is unable to visit your restaurant, the next best meeting place is his or her district office. Office meetings will be much more businesslike and to-the-point than restaurant meetings. Here are several items to keep in mind:

☐ Prepare yourself by reading *Washington Weekly*, Restaurants USA, your state restaurant association's legislative newsletter and other trade publications. Also call the National Restaurant Association for an update.

☐ Arrive with a well-thought-out position.

☐ Explain how a change in the law will affect your business. Be specific, especially in terms of the effects on employment.

☐ Leave a one-page position paper as a written record. (Call the National Restaurant Association if you need examples.)

☐ After the meeting, follow up with a letter that recaps your discussion and alerts your legislator that you are monitoring the issue. Your follow-up letter should include:

☐ The date you met.

☐ A brief synopsis of your discussion.

☐ A request for a written response.

On occasion, meeting with a staff member instead of your representative or senator is unavoidable. If you encounter this situation, your follow-up letter should additionally mention the name of the staff member with whom you met.

**There are more than 700 restaurateurs participating in the Key Contact Program of the National Restaurant Association. Key Contacts are restaurant operators who: (1) establish relationships with their lawmakers before they need to ask anything of them, (2) visit, write and call their representatives during a legislative crisis and (3) provide the National Restaurant Association with political news from the home district. Call the association's state relations department at 1-800-424-5156 or (202) 331-5900 for more information about becoming a Key Contact.*

found that as few as five letters or phone calls [to a legislator] on one particular issue can make a difference."

Legislators want to listen and learn

Bill Leichsenring, Jr., owner of the Ox Yoke Inn, Inc. in Amana, Iowa, has been active in political issues for about two years. Leichsenring donates to the National Restaurant Association's Political Action Committee** and writes or calls his congressional representatives once every two weeks about issues relating to his business. He has also become involved in state issues. "I see myself as playing an advisory or educational role for my representatives," says Leichsenring. "For example, when the issue of the FICA tax on tips and tip credits came up, our Senator, Tom Harkin, didn't know what a tip credit was. After listening to us, Senator Harkin added an amendment to the minimum-wage bill to increase the tip

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***The Political Action Committee of the National Restaurant Association pools individual donations from hundreds of foodservice operators and makes campaign contributions to candidates for federal office who support the industry. For more information, contact the association's government affairs department at 1-800-424-5156 or (202) 331-5900.*

Tom Kershaw: leader of the PAC

Since it serves as the unofficial club for members of the Republican party, it's fitting that Hampshire House—home of the bar "The Bull and Finch," which was the inspiration for the hit TV show "Cheers"—is located two blocks to the *right* of the State House in Boston. Hampshire House owner Tom Kershaw has become well known for his ardent support of the Republican party through his willingness to donate his time, his money and his restaurant's facilities for GOP causes. As chairman of the National Restaurant Association's Political Action Committee, Kershaw travels constantly to give speeches urging fellow restaurateurs to get involved in the political process. And when he's not drumming up support for the party or campaigning on behalf of others, Kershaw has occasionally thrown his own hat into the electoral ring.

Although he has been interested in politics for many years, Kershaw's active involvement began about eight years ago when he ran for and won a seat on the Republican Committee for his Beacon Hill ward. Within two years, Kershaw was serving as the chairman of the committee—a post he still holds. This grassroots activity has been exciting and rewarding for Kershaw, who often hosts fundraising events and press conferences at Hampshire House. In fact, a recent fundraiser for Republican candidates for governor of Massachusetts raised $3,000—an amount that Kershaw reports is quite an accomplishment for a ward. "We are working on being a model ward in the city," he proudly proclaims.

Kershaw points out that restaurateurs have clout that few take advantage of—their knowledge of the community and the people who live there.

Kershaw didn't stop at the ward level, however. This past spring, he ran for the chairmanship of the Boston City Republican Committee; and although he didn't win the top seat, he did receive enough votes to become "first vice president"—a role that gives him greater political influence in the party.

As chairman of the Political Action Committee, Kershaw's mission has been to get association members to see the importance of becoming politically involved. "It's no longer appropriate to worry just about keeping the chowder hot and keeping our customers happy," he says. "Restaurateurs have to get involved politically to help their businesses and the industry as a whole."

Kershaw suggests restaurateurs adopt a multifacted approach to political involvement and get to know their elected officials—their state representative, congressional representatives, senators, mayors and city councilors. "Get to know them; invite them into the restaurant to talk," he urges.

Kershaw points out that restaurateurs have clout that few take advantage of—their knowledge of the community and the people who live there. "Politicians see restaurateurs as being in the know community-wise," he explains. And he urges restaurateurs to take advantage of this perception. "Restaurateurs get to know their regular customers very well. They are in touch with what people in the community are thinking. We should use this knowledge and welcome the opportunity to become a source of information for the politicians," says Kershaw.

Second, Kershaw urges restaurateurs to become involved in political campaigns. "Offer to hold political functions at the restaurant, or invite campaign staffers and volunteers to hold meetings there. Offer them a warm haven for relaxation," he suggests.

Finally, Kershaw believes that one of the easiest ways to get involved is by joining the National Restaurant Association Political Action Committee, which contributes to candidates who support issues favorable to the industry. He compares the excitement of watching a political race with betting on a horse race. "Once you place a bet, you start to follow the race closely. You become excited and you follow the horse you bet on—as well as all the other horses. It's the same with politics. You make a contribution and you start to follow the campaigns and the issues—you get involved in the process."

—Elizabeth Wallace

Gretchen Mathers took Congressman Phil Crane (R-IL), third from left, on a tour of the Show floor where he got a chance to talk with foodservice representatives and see how diverse the industry is.

credit from 40 percent to 50 percent, and that amendment still stands on the federal level. They [lawmakers] don't pretend to know everything, and Senator Harkin doesn't hesitate to be educated on issues with which he's not familiar. Lawmakers are regular people like the rest of us."

To keep legislators informed, Leichsenring keeps himself up to date on industry developments by reading all the trade magazines that relate to independent operators. "That's my college of knowledge," he says. "I often copy articles and send them on to other restaurateurs and to elected representatives . . . I've picked up so many good ideas. All my activity is nonpartisan. I'm representing myself and other restaurateurs, to keep them and lawmakers aware of what's going on."

Cultivating a symbiotic relationship

Gretchen Mathers of Gretchen's Of Course in Seattle, believes "being involved is as important as other business concerns—such as improving your kitchen. If you're not involved in the process, you may have no kitchen to improve. There is this illusion that every restaurateur is a 'fat cat,' but we are mostly small-business men."

Mathers has been representing the small-business point of view for more than a decade. in 1978 she was a state delegate to the White House Conference on Small Business. Since then she has been active in the Restaurant Association of the State of Washington and the National Restaurant Association.

"I always liked being involved," she says, and she describes herself as a "political animal." She has even thought about running for Congress, but has put the idea aside, because she is a Republican residing in a Democratic district. "Perhaps with redistricting," she adds.

Mathers maintains that the way to make a difference in communicating with representatives is to offer alternatives. "We *react* to bills more than we should. If we don't get *pro-active* and offer more and more viable alternatives, then a lot of us could be out of business," she says.

Getting involved is easy

Without exception, these restaurateurs find that becoming active in the political issues affecting their businesses is so easy and worthwhile that none of them can imagine *not* being involved.

Don O'Neill speaks for the group when he urges *all* restaurateurs to get involved in whatever way they can, but especially on a personal basis with the local congressman. "Invite your local congressman to be a guest in your restaurant about once a year and talk about different issues with him," O'Neill advises. "Ask a couple of other restaurateurs and a couple of his aides to join you, too. I do it every year, and each time it gets easier and easier to do."

"If anybody wants to call me personally about getting started, I urge them to," O'Neill continues. "I run one mid-priced restaurant. I'm just another restaurateur—but I'm part of the backbone of the industry. The most important thing is to talk with lawmakers—it's so easy! They are not always going to vote with us, but that's fine as long as they make a weighed decision."

Gretchen Mathers emphasizes the importance of the individual's input in a process that involves so much weighing and measuring of an issue's various ingredients. "There is a lot of manipulating and compromise involved in the political process," says Mathers. "But your congressman represents his district. If you know what you are talking about, you owe it to yourself and your employees to tell your representatives how important those issues are to you as a foodservice operator." ☐

Inviting legislators to your restaurant

Meeting face to face with your legislator is your most effective communication tool. Because of tight schedules, elected officials routinely eat out—and what better place to conduct a meeting than in your own establishment?

For the legislator, visiting your operation is an opportunity to meet your employees and see firsthand what's involved in running your business. For you, it's a chance to establish a solid link with your elected representative.

Setting up a meeting is easy. You should:

1) Find your congressman, senator or other elected official's district office number in your local phone book and call for an appointment.

2) Get an update from the National Restaurant Association on the issues you will discuss.

3) Set aside time to have your representative take a tour of your establishment if he or she so desires.

4) Consider inviting fellow restaurateurs to join you.

If it is agreeable to your guest, hire a photographer to record the event and alert the local and trade press to your meeting.

After the meeting, send your representative a follow-up note to reinforce the points you discussed and to say thank you.

Inform the National Restaurant Association and your state restaurant association of your meeting.

WRITING TO GET YOUR POINT ACROSS

by Monnie Ryan

Does the city's proposed road-widening project threaten to cut your customer parking in half? Will even a slight hike in the minimum wage give you a serious pain in the bottom line?

Don't just sit there complaining—take action. It's time to write your heads of state—or city or nation— and win them over to your point of view.

Bear in mind, however, that no matter how worthy your project or how strong your opinion, others are not likely to accept what you say just because you think it's right. Resistance to change is natural; so if you want to persuade others to your way of thinking, you'll have to make your point with style and pizzazz.

It's always easier to sway others to your view if you can do it in person; the emotion in your voice and the fire in your eyes come through loud and clear. Writing, however, presents more of a challenge. Using words alone, you must convey your convictions in a way that is both appealing and convincing.

Strategies for writing with punch

Here, then, are strategies for pitching your point of view like a pro.

☐ **Define your audience.** "Although awareness of audience is important in all types of writing, it is especially true in written arguments," says Robert Miller, editor of *The Informed Argument*. "A clear sense of audience allows you to choose the points you want to emphasize in order to be persuasive."

☐ **Be specific.** Before you write one word, be clear about how an issue relates to you specifically. "My business will suffer if the street is closed" doesn't say enough. Instead, explain how many customers will be unable to get to your restaurant each day, how much money you stand to lose and how other businesses on your street or in your area are likely to be affected. "I'll lose lots of money if the street is closed" packs little punch. Rather, say, "Each day my restaurant is inaccessible to traffic means a loss of 400 customers and $5,000 in profits."

☐ **Make a comprehensive list of the reasons why you believe as you do.** Then ask questions, such as, "Is my point of view realistic and feasible? What are the anticipated short and long-range benefits? For whom?"

Anticipate objections

It is usually best to envision an audience that is skeptical. "Unless you are the keynote speaker at a political convention, rallying the members of your party by telling them exactly what they want to hear, there is no reason to expect people to agree with you," Miller states. "By imagining a skeptical audience, you will be able to anticipate the opposition and offer counterarguments of your own, thus building a stronger case."

Make a list of reasons why your reader might disagree with you; then make a second list containing a brief rebuttal of each of these arguments.

For example, if you are asking a congressional representative to vote "no" on the proposed minimum-wage hike, you might point out that numerous studies have concluded that if the increase is implemented, the job-loss potential can range from a low of 70,000 to a high of 1 million. Obviously, even a loss at the low end is sufficient reason to at least question the appropriateness of the legislation.

Or you can explain how raising the minimum wage is unlikely to reduce the poverty level, since the vast majority—at least 80 percent—of minimum-wage earners live in nonpoverty households. Congress is aiming for one group, but hitting another. The damaging effects of a wage increase—fewer jobs and inflated prices—hit the poor and more affluent.

Monnie Ryan is public-relations/communications coordinator at Sherman & Associates in Warren, Ohio. A former management consultant, she has conducted workshops on the subject of writing for businesses as well as colleges and universities throughout Ohio, Kentucky and Pennsylvania.

☐ **Get excited, but not belligerent.** Enthusiasm shows—even in a letter. If you don't really care about an issue yourself, you simply won't be able to sway others to your point of view. But remember that angry or threatening words not only antagonize the reader but also have a way of coming back to haunt you. So while it's okay to get fired up (as the Reverend Jesse Jackson once said, "You can't cook with cold grease"), take time to cool off before you spout off.

Pointers for putting it on paper

☐ **Open your letter with oomph.** Your first paragraph must grab—and hold—the reader's attention. Try inserting a subject line; highlight key words or phrases in boldface type or capital letters. Don't beat around the bush—get straight to the point. A simple, no-nonsense approach works best.

☐ **Focus on the reader; maintain a "you" attitude throughout.** People do things for their reasons, not yours. The first question that most people want to know is, "What's in it for me?" To win them over, you must explain the benefits your perspective has for the reader. Will accepting your point of view increase chances for reelection, build acceptance among colleagues or increase exposure to the reader's constituency? Illustrate with concrete examples.

☐ **Stick to your facts.** Don't exaggerate or make claims you cannot prove. "You should remember that the foremost responsibility of any writer is to tell the truth as he or she sees it," Miller explains. While you want to respond to the interests of your audience, do not mislead them.

☐ **Remove language blocks.** Ambiguous words and technical jargon get in the way of effective communication. "Please give us your decision soon" is unclear. "We would appreciate your response within seven days" says exactly what you mean.

☐ **Pinpoint the action.** Make sure you are clear about what action you want the reader to take. In your final paragraph, tell the reader exactly what you want him or her to do. "Cast your 'yes' vote next Thursday," or "Call today" elicits a direct response. "I'm counting on you to keep us in mind" is too vague.

Don't do it alone

Finally, remember that numbers count. Enlist the support of others who are sympathetic to your cause. Encourage your restaurant colleagues, friends and customers to join your letter-writing campaign. ❑

Writing to your representative

Personalized letters to representatives are more persuasive than form letters and mailgrams from trade associations. Although writing a letter to your representative may not appeal to you as much as meeting face to face, it can be just as effective.

When writing, bear the following in mind:

☐ Keep your letter short. (One page is best.)

☐ Use your own words.

☐ Focus on one topic and stick with it.

☐ Try to identify bills by number, name or sponsor.

☐ Explain your position and how you think the legislation will affect your business.

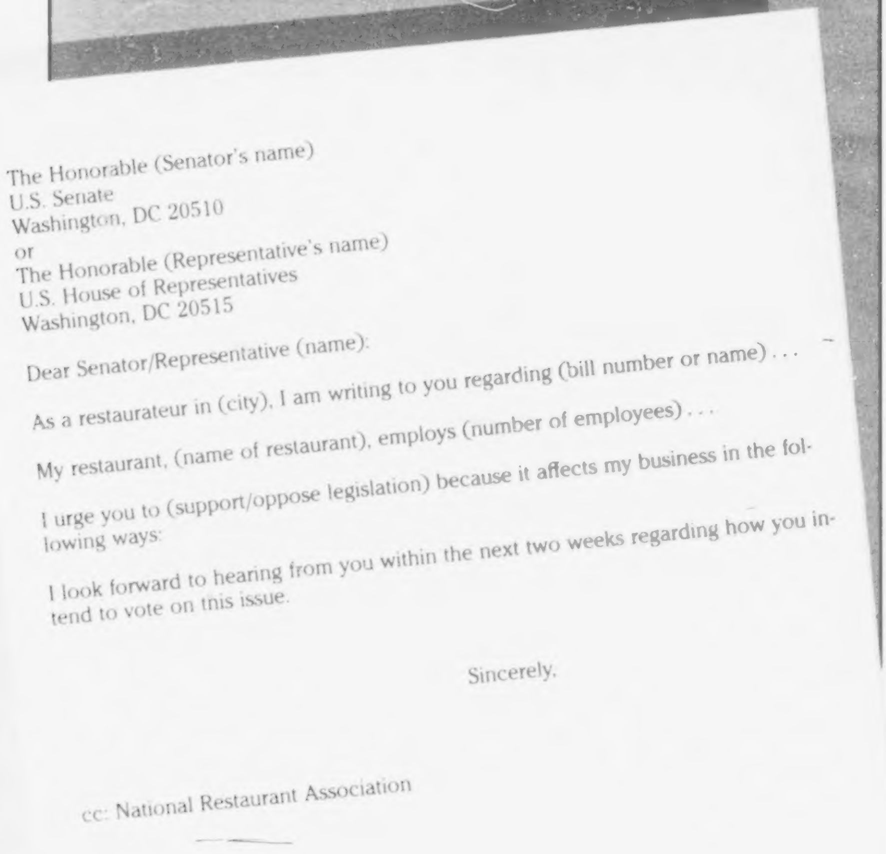
☐ Ask a direct question and request a response. (For example: "Please let me know I can count on your support.")

☐ Follow up after action has been taken, with a letter acknowledging your awareness of the legislator's position or vote on the issue.

☐ Send a copy of your letter to the National Restaurant Association.

The more personalized your letter, the more likely your representative is to remember it. If you've met the person before, refer to your meeting in the letter. Handwritten correspondence on your company stationery—or even on a menu—will draw extra attention to your message.

You can call the Government Affairs Department of the National Restaurant Association (1-800-424-5156) or your state restaurant association if you would like assistance with your letter.



The Honorable (Senator's name)
U.S. Senate
Washington, DC 20510
or
The Honorable (Representative's name)
U.S. House of Representatives
Washington, DC 20515

Dear Senator/Representative (name):

As a restaurateur in (city), I am writing to you regarding (bill number or name) . . .

My restaurant, (name of restaurant), employs (number of employees) . . .

I urge you to (support/oppose legislation) because it affects my business in the following ways:

I look forward to hearing from you within the next two weeks regarding how you intend to vote on this issue.

Sincerely,

cc: National Restaurant Association

GANNETT OUTDOOR
"Free Day Care is like a $1.50 per hr. raise!"
DANIELLE BYRNE
44th Street Store
CLEARANCE 14'2"
-2902

HOW FOODSERVICE IS MEETING THE CHILDCARE CHALLENGE

by Mary Follin

The manager of a fast food franchise has come to expect the frantic, last-minute call from the single mother he hired for the morning shift. She has been having difficulty finding dependable childcare for her two-year-old son, and as a result is habitually late and has even missed several mornings of work. Although she is a top-notch performer, if her attendance record does not improve, the manager is reluctantly considering letting her go.

"A pressing need"

Both in and out of Congress, childcare concerns have been receiving national attention. "It is obvious that childcare is a pressing need," contends Michael Carter, senior vice president of Hay/Huggins Benefits consulting firm in Philadelphia.

Although the foodservice industry can often provide workers with flexible schedules that can accommodate the needs of working parents, it is not immune to childcare needs. "There are more children than there are slots available in the national childcare system," maintains Alexis Kennedy, spokesperson for the National Council for Quality Childcare. "The shortage of adequate care can negatively affect recruitment, scheduling and retention."

Businesses are responding

According to a 1988 survey of medium and large-size companies conducted by the Hay/Higgins Benefits consulting firm, one-third of the survey participants had some form of childcare assistance. "That is a significant amount," says Carter. Eleven percent of the respondents had some form of direct childcare assistance. Of that percentage, 29 percent provided an onsite facility, 28 percent offered a referral service, 17 percent subsidized an offsite facility, 17 percent reimbursed employees or centers directly through a voucher system, 4 percent contracted for slots in a daycare center (vendor system), 3 percent participated in an offsite cooperative facility and 39 percent provided "other" types of assistance.

"I'm getting free day care from Burger King" is one successful ad campaign that has brought the Burger King childcare program to the attention of parents seeking jobs.

An additional 28 percent of the respondents had indirect childcare assistance in the form of flexible spending accounts. A flexible spending account allows an employee to decrease his or her salary by a certain percentage, and the employer then applies those pretax dollars to that employee's childcare expense. Not only does this exempt the employee from taxes on that portion of earnings but also the employer is exempt from paying Social Security on those dollars.

Mary Follin is a freelance writer in Falls Church, Virginia.

Cost of childcare for employees

Ten percent of an employee's income is considered reasonable for childcare. Even after an employee takes the standard tax credit, the percent of income that goes for childcare is often higher than 10. This type of chart for your employees can help you decide on a financial subsidy.

Job category	Total family income	Age of children	Type care and cost	Federal tax credit	Actual cost	Percent family income
Secretary	$15,000	2 yrs.	family day care: $40/week	$1,296	$3,384	22.6%
		5 yrs.	day care center $50/week			
			$4,680/year			

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Some tips to consider

Michael Carter of Hay/Huggins Benefits consulting firm in Philadelphia, offers several economical solutions for the small to medium-sized business.

"First, set up a flexible spending account," suggests Carter. A flexible spending account allows an employee to decrease his or her salary by a certain percentage, and the employer then applies those pretax dollars to that employee's childcare. Not only does this exempt the employee from taxes on that portion of earnings, but the employer is also exempt from paying Social Security on those dollars. "Section 125 of the IRS code permits favorable tax treatment for employers offering flexible spending accounts to employees. The accounts are inexpensive to establish and the Social Security tax savings more than offset the cost of administration."

"A consortium is another possibility," Carter continues. "A small operator might easily combine efforts with other small businesses and establish a co-operative facility in a commonly convenient location.

"A voucher system whereby an employee is reimbursed for all or part of childcare costs is also an option.

"And finally, a referral service can be implemented. It need not be complicated—simply open a phone book and call local centers to find out about certification, hours and fees." (And then share this information with employees or job applicants.)

Subsidized childcare

Although the foodservice industry has not been in the forefront of many of these childcare initiatives, certain operations are breaking new ground with their programs. Among them is a Burger King franchise in Grand Rapids, Michigan. "I'm getting free day care from Burger King" is one successful ad campaign that has brought the Burger King childcare program to the attention of parents seeking jobs.

With this formula in mind, the Grand Rapids Burger King implemented an innovative childcare program for employees with dependent children. It subsidizes referral services and childcare fees in a combined effort with the local Community Coordinated Childcare Corporation (4C).

"We needed a tool to bring the moms to us," says Jayne Thome, human resources coordinator for the franchise, who points out that the profile of an average Burger King employee has changed. Five years ago the average employee was a 16-year-old student; today she is a 24-year-old "daycare mom." "Moms have two major concerns—adequate, affordable childcare and flexible hours that allow them to be at home when necessary," adds Thome. In fact, according to Thome, most employees are able to find competent care within the subsidy range.

Thome describes the 4C service to Burger King as a network of information and referrals that locates licensed and registered providers. "Of course, the moms ultimately choose whom they want to watch their children," she is quick to add. 4C also provides temporary sitters when a regular provider is out for the day, and made arrangements to send children to the local hospital when they are ill. Once a suitable provider has been chosen, the Grand Rapids Burger King pays $1.50 per hour per family, up to 32½ hours a week.

Such a unique benefit has provided the boost needed to recruit from an increasingly smaller pool of potential workers. By using brochures and posters and actively speaking to women's groups, the Grand Rapids Burger King is reaching its recruitment goals. Thome states that in one store, 10 out of 17 employees on the lunch crew are daycare moms, and half of them have already been in the store for 18 months. In 1988, more than 100 new Burger King employees applied because of the unique childcare benefits, and 70 percent are still employed with Burger King. "Many of these parents move up into management positions," says Thome. "This has helped relieve our management crunch."

But more important than statistics, employee morale has been positively affected by the new program. Thome comments, "Employees are now able to work and keep their paychecks and know the company cares. They're happy, and we're happy to have them . . . When one daycare mom came to us, she was on welfare. Now she is a unit manager."

But what of the small-business owner who does not have the funds to implement such a comprehensive program? Selective support can work wonders. One operator who has successfully implemented a selective childcare assistance program is Marc Zimmerman, owner of Zimm's Inn in Gaithersburg, Maryland, who employs up to 12 people. Zimmerman decided to pay childcare costs of $2 an hour for an excellent waitress who was available to work a shift that was otherwise difficult to staff.

"It worked out great!" Zimmerman maintains. "We are now planning to offer the same benefit to another employee as well."

Onsite childcare facilities

Another approach that some in the industry have considered is to establish an onsite childcare facility. The

Cost of childcare per week in seven cities, January 1985, for children under five

	Family day care	Center care	School-age program	In child's own home
Boston	$45–160	$75–150	$30–40	$260–340
New York	$35–140	$50–150	$20–60	$165–300
Atlanta	$30–60	$50–150	$20–35	$165–230
St. Louis	$35–50	$50–80	$10–32	$165+
Dallas	$50–70	$50–90	$25–35	$165–200
Denver	$55–105	$55–105	$30	$165–200
San Francisco	$55–90	$65–120	—	$165–200

Source: Dana Friedman, *Corporate Financial Assistance for Child Care*, New York: The Conference Board, 1985

Princeton Marriott in Princeton, New Jersey, recently established such a facility to attract workers in a region with low unemployment.

"We felt that onsite childcare would attract and keep employees," says Don Minkler, director of marketing for the hotel. "We are finding that employees who are using the facility are staying." Minkler enthusiastically describes the two hotel rooms converted to playrooms as comfortable for the children and convenient for employees. A local daycare center operates the Marriott facility.

"It's terrific," says Vanessa Araujo, a waitress at the Princeton Marriott's restaurant whose son is enrolled in the onsite facility. "It used to be such a hassle to drop off and pick up my son and worry about getting to work on time." Earlier Araujo had resigned her position at Marriott, but she returned after the daycare center was opened. She cites the daycare center as the main reason for her return. "My son is right on the second floor," says Araujo. "I can even have lunch with him; and if there's a problem, I'm right there. And the hours are great; I can be more available to work overtime."

The childcare program at the Princeton Marriott was considered a successful test for the Marriott Corporation. Since the opening of the onsite facility, Marriott has made a corporate-wide commitment to study and resolve some of the issues surrounding childcare. This past spring, the company announced that it has entered into a joint venture with Corporate Child Care, Inc. (CCCI), a Nashville-based provider of employer-sponsored childcare services. According to Marriott, through CCCI, it will offer on-site childcare services at business, educational and health-care facilities.

"Childcare is a tremendous social and economic need which is no longer a problem just for parents," states Marguerite Sallee, president and CEO of CCCI. "By its decision, Marriott is sending a signal to other corporations that there are major economic benefits to offering childcare programs, including improved recruitment and productivity and reduced turnover and absenteeism."

Setting up a program

Although many operators say they would welcome the improved recruitment and productivity possibilities associated with childcare assistance, few operators have the expertise to evaluate childcare options. That is why the National Council for Quality Childcare (NCQC) has compiled a manual entitled "Corporate Sponsored Childcare—Exploring the Options." The manual, which sells for $45, offers constructive tips and information in such areas as:

☐ How to gather information on available options, including case histories, insurance requirements and liabilities

☐ How to assess potential options, including employee needs, a feasibility study, costs and zoning

☐ How to implement a childcare program in the best interest of the company.

How employers support working parents

Employers are addressing the needs of working parents in a variety of ways, which fall into five categories:

1. *Adjusting work life*—flextime, part-time work, job-sharing, home-based work, supervisor training, maternity/paternity or adoption leave, and sick days for child care;

2. *Providing financial assistance*—DCAPs, flexible benefits, vouchers and program discounts;

3. *Supporting existing programs*—in-kind services and charitable contributions;

4. *Providing information to parents*—individual advisements, workshops or seminars, and resource and referral (R&R) services and

5. *Developing new programs*—childcare centers, consortia, sick childcare, family daycare and school-age care.

—*The Employer's Guide to Child Care*
by Barbara Adolf, Praeger Publishers,
New York City, 1988

Another source of information is *The Employer's Guide to Childcare: Developing Programs for Working Parents*, by Barbara Adolf, published by Praeger Publishers in New York City. The book includes an excellent bibliography with more than 35 listings under the "employer-supported childcare" section. It sells for $37.95.

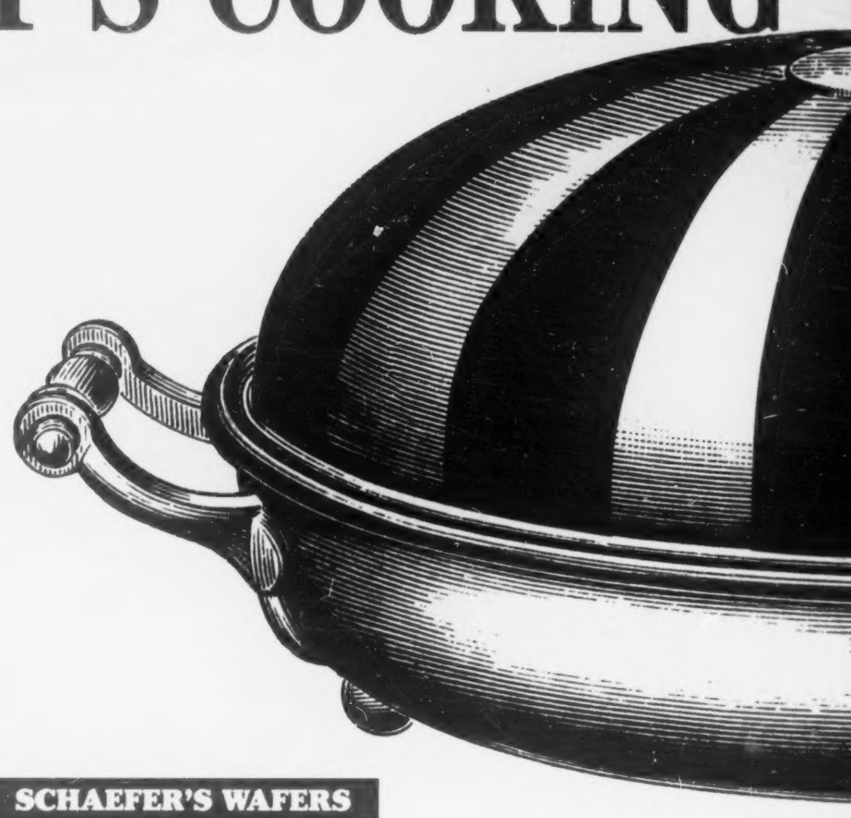
You can also get one copy of a new U.S. Labor Department publication, *Employers and Child Care: Benefiting Work and Family*, from the Women's Bureau, U.S. Department of Labor, Box EC, 200 Constitution Avenue, NW, Washington DC 20210. Enclose a self-adressed mailing label (no envelopes or stamps) and allow four weeks for delivery. The 76-page booklet gives a concise overview of employers' options in helping workers meet childcare needs.

In sum

As more mothers of young children continue to enter the workforce, the issue of childcare becomes a more pressing one. A well thought-out solution will create a win/win situation for both the employer and the employee. ❑

WHAT'S COOKING

"Mayors don't cook; they make reservations" was a phrase that we heard often in soliciting recipes. This reflects mayors' busy schedules, ranging from dealing with a neighborhood's potholes to groundbreakings at downtown development projects. In addition, mayors must take time out of their personal and family lives to attend neighborhood associations' meetings, officiate at civic ceremonies and listen to residents' complaints and suggestions.



ELECTION-DAY BEEF STEW

We have been serving this beef stew every election day for the past 22 years. Personally it has been "lucky" for us for 10 out of 12 elections. We double, triple, etc., the recipe as needed. In our mayoral campaigns we serve it at our campaign headquarters on election day to one and all. It can be stretched and stretched, and since our weather on election days is usually cold and/or nasty, it keeps our workers "going"!

Serves 6

Ingredients:
1½ lbs. stew beef (cut up)
3 qts. water
2 stalks celery (cut up)
3 carrots (cut up)
3 large potatoes (cut up)
1 lb. can tomatoes
3 beef bouillon cubes or packets
¼ cup barley (optional)
2 Tbs. oil
Flour to coat
Salt and pepper to taste
1 large onion

Method:
Heat oil in heavy 4-quart pot; brown stew meat, which has been coated with flour. Add water, tomatoes, cut-up celery and onion. Bring to a boil and add bouillon. Simmer 1½ hours and add barley (if desired). Simmer another half hour and add carrots; simmer a quarter hour more, then add potatoes. Simmer about 15 minutes more or until carrots and potatoes are tender.

—Mayor Francis X. McCauley, Quincy, Massachusetts

SCHAEFER'S WAFERS

These terrific cookies began on the campaign trail. Three young supporters of Mayor William Donald Schaefer's sold them on the street corner in one of Baltimore's neighborhoods. They called them "Schaefer's Wafers," and in this way announced who their favorite candidate was.

Makes 50

Ingredients:
2 egg whites (room temperature)
⅔ cup sugar
½ tspn. vanilla
6 ozs. chocolate chips

Method:
Beat egg whites until stiff. Add ⅓ cup sugar and beat for 3 minutes. Add remaining sugar and beat another 3 minutes. Add vanilla and fold in the chocolate chips. Drop by teaspoonfuls onto a cookie sheet. Preheat oven to 375°F. Place sheet in oven, count to 10, then turn off the oven. Leave cookies in the oven overnight.

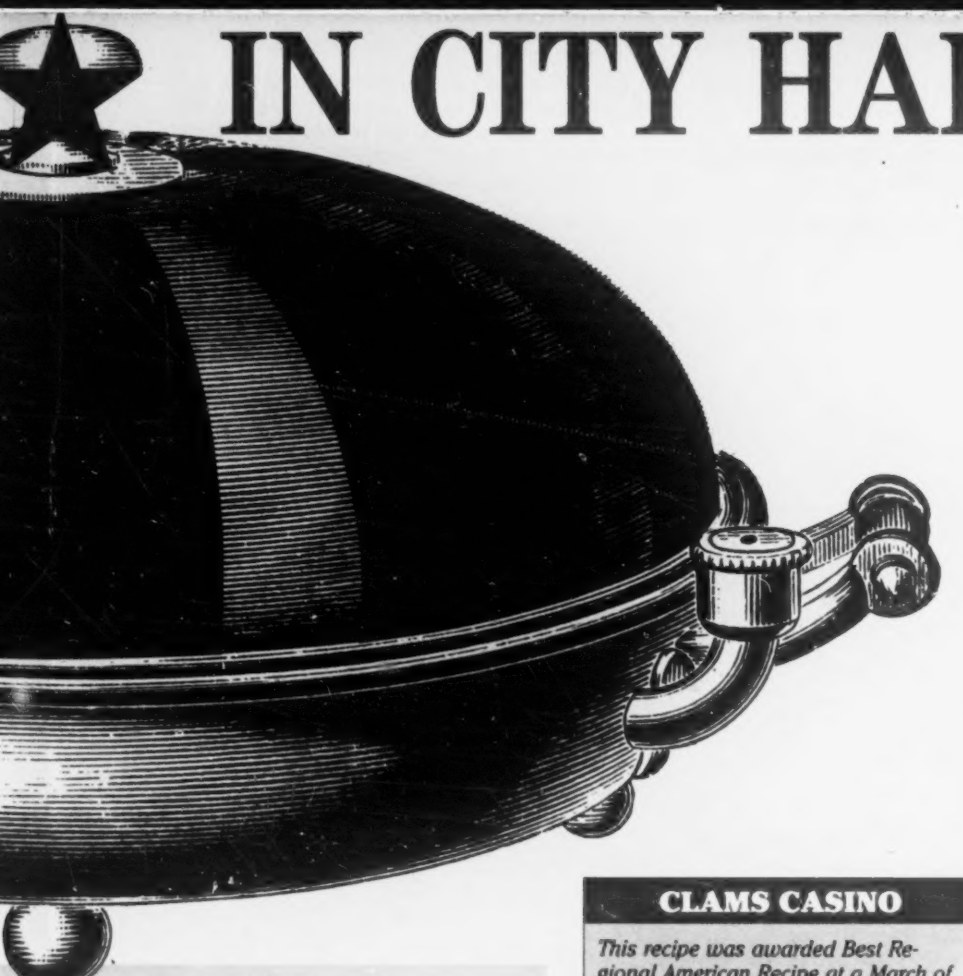
—Governor William Donald Schaefer, former mayor of Baltimore, now governor of Maryland

If you're trying to get on
sponsor a promotion tha
attention—find out your
make it in your restaura
ner. To get an idea of wh
*excerpt from **The Mayor***
United States Conference
pes of more than 300 ma

No matter what the circumstance or problem, mayors are always extremely proud of their jobs, its responsibilities and the communities in which they live. Mayors are often the city's chief boosters and will do many things to promote their communities locally, nationally and internationally—which brings us to the book, *The Mayors' Cookbook.*

The idea for the cookbook came from a discussion with mayors about their varying duties and responsibilities, one of which is often to enter or judge local cooking contests. In some instances, not only were mayors asked to enter the contests, but they also ended up winning—something mayors as good politicians would prefer not to have happen. Some of

IN CITY HALL?



your mayor's good side—and
t is sure to attract community
mayor's favorite recipe. Then
t and invite him or her to din-
at you can expect, here is an
***s' Cookbook**, published by the*
of Mayors. It lists favorite reci-
yors across the country.

the winning recipes included Birmingham, Alabama's, Mayor Richard Arrington's "Snappy Salmon" and Stamford, Connecticut's, Mayor Thom Serrani's "Clams Casino."

The cookbook idea was first tried out at the Conference of Mayors' Mid-Winter Meeting in January 1986. Many of the mayors left the meeting not only pondering ways to deal with their urban problems, but also having to decide what recipe to submit for the cookbook. Some went to the community for assistance, such as Mayor Barbara Fass of Stockton, California, who used a local contest to pick the recipes to submit. In Alameda, California, former mayor Anne Diament shared the task of deciding which recipe to submit by making the choice a project for all at city hall.

The recipes do not attempt to represent the "best" gourmet or winning dishes from a community; rather they mirror the dishes prepared by mayors and their families in their homes. ☐

Excerpted with permission from the *The Mayors' Cookbook: What's Cooking at City Hall?* by the United States Conference of Mayors, available at a special discount of $10 to members of the National Restaurant Association from the publisher, Acropolis Books Ltd., 2400 Seventeenth St., N.W., Washington DC 20009, (202) 387-6805.

CLAMS CASINO

This recipe was awarded Best Regional American Recipe at a March of Dimes benefit. "It's the best clams casino I've ever had in my life," said Craig Claiborne, food editor for The New York Times.

Serves 4

Ingredients:
- 12 littleneck clams on half shell
- 2 Tbs. soft butter
- 5 drops Tabasco sauce
- 3 scallion stalks (finely minced)
- 1 Tbs. garlic (finely minced)
- 1 Tbs. shallots
- ½ Tbs. cayenne pepper
- 2 Tbs. lemon juice
- ¼ cup red and green peppers (finely diced)
- 1 Tbs. Dijon mustard
- 2 ozs. brandy
- Salt and pepper to taste
- 4 pieces blanched bacon
- ½ cup Ritz cracker crumbs
- 4 ozs. melted butter

Method:
Mix all ingredients except for melted butter, Ritz crackers, bacon and clams. Place buttered mixture on top of clams. Put bacon on top and sprinkle with Ritz crackers and melted butter. Bake at 375°F for 8 minutes.

—Mayor Thom Serrani, Stamford, Connecticut

ZUCCHINI PESTO QUICHE

This recipe won first prize in our Annual Zucchini Cooking Contest, one of the events preceding our city's Zucchini Festival held in August.

Serves 8

Ingredients:
- 1 9-inch prebaked pastry shell
- 3 small to medium zucchini (halved and cut in ¼-inch slices)
- 2 Tbs. pesto
- 2 cups Swiss cheese (grated)
- 1¼ cups Jack cheese (grated)
- 2 cloves garlic (minced)
- ½ tspn. white pepper
- ¼ tspn. cayenne pepper
- ¼ cup red bell pepper (chopped)
- 3 eggs
- 1 cup half-and-half

Method:
Precook zucchini (saute in butter or microwave 5 minutes). Cool and drain off excess moisture. In mixing bowl, combine zucchini, pesto, cheeses, seasonings and pepper. Mound filling in pastry shell. Whisk eggs and half-and-half until smooth. Pour over filling. Bake in preheated 375° F oven for 30 minutes or until done. If top begins to brown too fast, cover with foil. Quiche is done when knife inserted in center comes out clean. Allow to stand on wire rack 5 to 10 minutes before cutting. Serve hot. Quiche may be reheated. (Great with sour cream.)

—Mayor Alex Giuliani, Hayward, California

THE NEW GAME IN TOWN

by Julie Fintel

Most game today isn't like what hunters bring home from their fall hunting trips. Wild quarry is too often tough, stringy and strong flavored ("gamey"). Today's farm-raised game is tender, juicy and mild tasting, and it's available all year round from more suppliers than ever before. These new features plus its health benefits promise to give game a bigger spotlight on restaurant menus.

The term *game* includes a variety of animals—from deer; antelope; elk (the meat of all three is called venison); bison and boar; to smaller animals, such as rabbit and squirrel; and birds, such as pheasant, partridge, squab and quail.

Although a commonplace item in Europe, game is still a novelty to most people in this country. But game's new mild taste, menu versatility and health benefits promise to give it more exposure. "The ultimate appeal of game is its extraordinary nutritional benefits," says Mike Hughes, owner of the Texas Wild Game Cooperative in Ingram, Texas. "Chefs who are initially interested in venison as an unusual gourmet item will eventually recognize and promote it as 'the perfect red meat.' " Game meat is rich in protein, low in calories, yet almost fat free. For example, venison has less fat, calories and cholesterol than beef, pork, veal, turkey and even some types of seafood. A 100-gram portion of venison has the same amount of calories as a similar-size serving of chicken breast, but is lower in fat and cholesterol. Bison has 50 percent less cholesterol than beef, 70 percent less fat and 30 percent more protein (see March 1989 ***Restaurants USA***). Game birds are also low in fat. Quail, for instance, is 6.8 percent fat, compared to a chicken, which is 17.9 percent fat.

Game animals receive no chemicals, additives, hormones or growth promotants; and they are often recommended to people who are allergic to additives.

Tame game

Because it hasn't been inspected, restaurants are not allowed to sell the game hunters have bagged. In fact, almost all of the available game is raised on farms, much like domesticated cattle and chickens. "The word 'game' is as inaccurate as the term 'wild mushroom' when used to refer to the shiitake, morel, etc., that are really raised in caves for commercial use and not gathered," points out food writer Florence Fabricant.

Routh Street Cafe in Dallas is typical of the kind of upscale restaurant where you're most likely to find game

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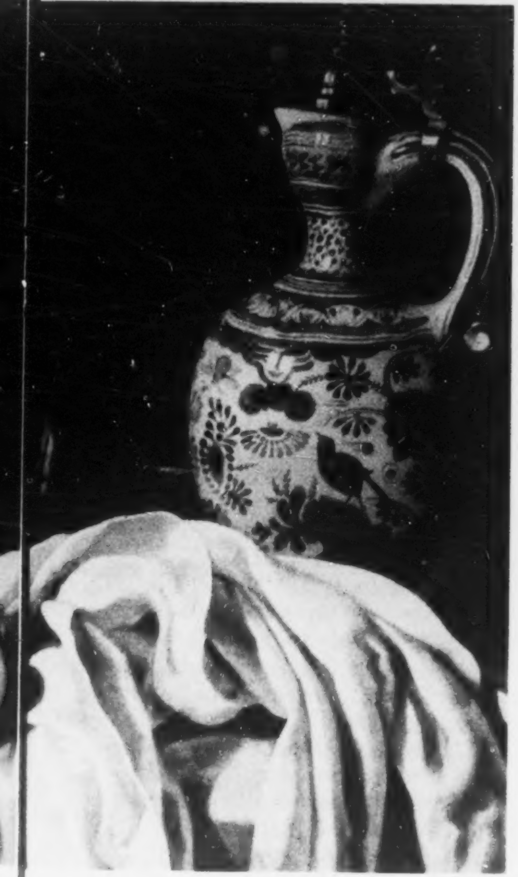
Julie Fintel is a communications specialist for the National Restaurant Association.

This still life, "Tabletop with Pigeon Pie," by Dutch artist Pieter Claesz (1598-1661) is part of an exhibit at the National Gallery of Art in Washington DC entitled, "Still Lifes of the Golden Age: Northern European Paintings from the Heinz Family Collection." The dish of pigeon pie is adorned with the bird's neck, head, wings and tail—a common practice for tables of the rich and mighty during the baroque age. ▼



Game-bird glossary

☐ **Pheasant** is the most popular of game birds. At 3 to 4 pounds each, these birds have primarily white meat. The breast is the choicest part; the legs and thighs can be sinewy, like those of a turkey, and may be best used for sausage, pate, soup or stew.

☐ **Quail** range in size from 3½ to 8 ounces. The larger birds will serve one; for smaller quail, two are needed per serving. The most common variety of American quail is the bobwhite, which has white meat; the European quail, available in this country through distributors, has a light-pink meat. Quail can be cooked almost any way chicken is fixed. Because the birds are so small, they also can be fried in one piece. Coat them first with cornmeal or flour and then deep-fry or brown them in a skillet; then add water and cover and simmer until tender.

☐ **Partridge** is a bird about the size of a Cornish hen, weighing from 12 to 19 ounces. The partridge has light meat much like a pheasant's. According to Joseph Casero, owner of Monterey Farms in Charlottesville, Virginia, partridge is one of the best-tasting of birds, and is delicious baked with shallots and mushrooms in a lemon-wine sauce.

☐ **Squab** is another name for a baby pigeon. Squab are 14 to 18 ounces in summer and 22 ounces in winter. The meat is darker than that of a pheasant—very similiar to the meat of the European quail.

Squab regularly appears on the menu at Chez Panisse in Berkeley, California, where a favorite way to serve it is grilled, after first removing the backbone, flattening it and marinating it in oil and herbs.

☐ **Mallard duck** is a deep, rich, red meat. The wild mallard has hardly any fat, in contrast to the Long Island duck, which can be as much as 60 percent fat. The market size of a mallard is from 2 to 2½ pounds. Half a duck per person is a normal serving. At Vasata restaurant in New York City, mallard is stuffed with apples, spiced, braised and then roasted. A sauce is made from the drippings, with cognac added. Aureole, another Manhattan restaurant, serves just the breast, grilled.

on the menu. The restaurant's well-traveled customers tend to be a little more adventuresome eaters, willing to try such dishes as roasted or grilled boar with an apricot-bourbon sauce. "When people go out they tend to order things they don't prepare at home," says Fabricant.

Cost is another reason game belongs mainly to the fine dining establishments. Although prices have come down since the supply of game has increased, it's still more expensive than the better-known meats. New Zealand fresh venison costs from $4 to $6 a pound wholesale for the least expensive boneless netted shoulder to $8 to $10 a pound for the choicest saddle cuts. Texas Wild Game Cooperative sells venison scallopini for $17.98 a pound, and ground venison or venison for chili at $3.98.

How to cook game

The traditional way to prepare game

A bird for the Bush. **Recognized as an avid sports enthusiast and outdoorsman, President George Bush is also a crack shot when it comes to bird-hunting. Although pressing duties and a limited season keep the President from pursuing wild game birds as often as he goes fishing, he does manage one hunting trip per year—a few days after Christmas—at a friend's ranch in Beeville, Texas. Quail (the bird) is the typical quarry for the President's hunting party; but an occasional wild turkey also gets bagged. The birds are prepared right at the ranch. Although the White House press office couldn't provide a favorite Bush recipe for game, a gift shop in his hometown of Kennebunkport, Maine, is selling an item that could become a presidential favorite—Bush Sauce—advertised as "excellent with quail."**

has been to marinate it, smother it with a rich sauce or gravy, and serve with lingonberries or cranberries—all designed to cover up the strong, gamey taste. Today's chefs let the taste of the new game speak for itself. When sauces and marinades are used, it is to enhance, not mask flavor.

The secret of proper preparation of both venison and game birds is not to overcook; the new game should be served rare or medium rare. Because the meat is so low in fat, cooking for long periods of time will dry it.

The ways of preparing the new game seem to have no limit. Game birds can be fixed almost any way that chicken is fixed. And their meat is usually interchangeable. At The Mansion on Turtle Creek in Dallas, one special is a salad that uses almost any kind of game bird as its main ingredient. The meat is smoked, then julienned and tossed with red and yellow peppers, carrot, jicama, zucchini and dried pear with a Mexican marigold mint vinaigrette.

Mansion executive chef Dean Fearing is also fond of preparing venison. For example, he sautees medallions and serves them with a spicy pear sauce and a wild-rice compote or serves thin slices carpaccio style.

At Hubert's in New York City, where venison is a consistent best seller, the chef simply tailors the accompaniments to the season. For instance, to go with slices of grilled venison tenderloin he serves seasonal poached fruit—baby apples and pears in the fall and kumquat or blueberries in summer.

At Jasper's in Boston, owner and chef Jasper White makes his own venison sausages, grills them and serves them with juniper berries and a natural venison sauce flavored with vinegar and red wine. And at The 95th in Chicago, one popular dish is pheasant breast stuffed with wild mushrooms and spinach.

In sum

Although diners may be slow to catch on to game, more and more of them are ordering it because they like to try something different when they go out. "And," says Michael Perez, sous chef at Hubert's, "once they try it, they like it and order it again." ☐

PARTRIDGE BAKED WITH SHALLOTS AND MUSHROOMS IN LEMON-WINE SAUCE

Serves 1

Ingredients:

1 partridge
1 cup chopped shallots
1 cup fresh mushrooms
4 Tbs. butter or margarine
1 cup white wine
1 lemon
1 tspn. salt
½ tspn. pepper
2 Tbs. cornstarch

Method:

Saute 1 cup chopped shallots and 1 cup fresh mushrooms in 4 Tbs. butter or margarine for 5 minutes. Pour over partridge in baking casserole; cook covered in oven for 1 hour at 375°F., basting every 10 minutes with mixture of 1 cup white wine, juice of 1 lemon, 1 tspn. salt and ½ tspn. pepper. Make gravy of braise by thickening with 2 Tbs. cornstarch blended with 2 Tbs. wine. Serve over cooked rice, topped with gravy.

—Monterey Farms

COUNTRY STYLE QUAIL

Serves 4

Ingredients:

4 quail (4 to 5 ozs. each)
4 Tbs. butter
8 oz. mushrooms
1 slice country ham
1 tspn. bouquet garni
2 Tbs. flour
1 cup white wine
Salt and pepper

Method:

Brown the quail in butter in a skillet at medium-high for 4 minutes. Remove quail and place in a dish. Add mushrooms, ham cut into small pieces and bouquet garni to skillet. Sprinkle in the flour, stirring with a wooden spoon, for 3 minutes. Add wine and let cook an additional 3 minutes, stirring constantly. Put quail back in skillet and simmer for 35 minutes. Season with salt and pepper. Serve very hot.

—Plantation Quail

SMOKED TEXAS GAME BIRDS WITH SOUTHWEST VEGETABLES AND MEXICAN MARIGOLD MINT VINAIGRETTE

Serves 4

Ingredients:

2 cups julienne strips of smoked game birds (pheasant, duck, quail, squab)
½ red bell pepper, seeded and membranes removed, cut into julienne strips
½ yellow bell pepper, seeded and membranes removed, cut into julienne strips
½ carrot, peeled and cut into julienne strips
½ small jicama, peeled and cut into julienne strips
½ small zucchini (only part that has green skin attached), cut into julienne strips
1 dried pear half, cut into fine julienne strips
2 Tbs. chopped fresh Mexican marigold mint (or 1 Tbs. chopped fresh mint and 1 Tbs. chopped fresh tarragon)
1 shallot, minced
1 clove garlic, minced
1 Tbs. lemon juice
3 Tbs. white wine vinegar
½ cup plus 1 Tbs. peanut oil
Salt to taste
Ground black pepper to taste
Mexican marigold mint or mint leaves for garnish, if desired

Method:

Toss together julienne strips of game, vegetables and dried pear.

In a separate small mixing bowl, whisk together marigold mint, shallot, garlic, lemon juice, vinegar, oil, salt, and pepper. Pour over julienned ingredients and toss to blend.

Place a small mound of salad in the middle of four salad plates. Garnish with Mexican mint or mint leaves, if desired.

—Dean Fearing, The Mansion on Turtle Creek

TJTC

The Targeted Jobs Tax Credit (TJTC) is expected to be extended for two years in December. Although the tax credits earned through this program can be significant, relatively few foodservice operators are taking advantage of this easy-to-implement program.

THE UNDERUTILIZED TAX CREDIT

by Kathy Boyle

Seeking out and finding the hard-to-employ takes time that even some of the most skillful businesspeople have little of and effort that most cannot afford to expend.

That is why the federal government devised an incentive system of tax credits known as the "Targeted Jobs Tax Credit" (TJTC). This little boost to business has been one of the most workable programs ever devised by the federal government.

The idea behind the tax credit is to offset the dollars involved in recruiting and training hard-to-employ individuals, thereby encouraging businessmen and women to hire the disadvantaged.

A TJTC-eligible employee is a new hire that comes from one of nine groups composed of low-income individuals. Included are disadvantaged youth, welfare recipients, Vietnam-era veterans, ex-convicts and the disabled. (See sidebar for specifics.)

Substantial savings for businesses

The TJTC credit can add up to substantial savings for a business. The credit is generally equal to 40 percent of the first $6,000 of qualified first-year wages paid to a member of the targeted groups—for a maximum of $2,400 per individual. With respect to economically disadvantaged summer youth employees, however, the credit is equal to 40 percent of up to $3,000 of wages—for a maximum credit of $1,200. Last year, for example, the Marriott Corporation added $7 million to its bottom line in TJTC tax credits. Although Burger King Director of Human Resources Roger A. Rendin did not know the exact amount his company saved in TJTC credits, he pointed out that Burger King added 3,000 new TJTC-eligible employees in 1988 and has already added 1,500 individuals this year. Even for a smaller company, TJTC credits can make a sizable difference.

For example, Ralph & Kacoo's, with six restaurants in Louisiana, began using TJTC three years ago, on the advice of the company's CPA. "The first year he taught us, and we actually saved $12,000 after costs," reports Don F. Gerald, Jr., vice president and district manager for Ralph & Kacoo's. "The following year," adds Gerald, "we felt justified in hiring a personnel administrator to run the program for us. With the TJTC savings we generated, we were able to pay his salary and add savings way beyond that. And the administrator had other human-resources responsibilities as well."

In addition to the financial incentive, many companies cite the enormous "soft" benefits from TJTC, such as a positive feeling about the company for employing those in need, increased loyalty, reduced employee turnover, higher on-the-job motivation and increased company pride. "I believe that what I call 'soft, fuzzy savings' equate with the dollar savings (in importance)," reports Janet Tully, director of community employment and training for the Marriott Corporation in Bethesda, Maryland. "Because of the personal satisfaction they have gained on the job working with TJTC employees, we have employees who—on their own time—work with the disabled. In fact, two Marriott trainers recently received the President's Award for their outside-the-job efforts training disabled youth. Too often, employers fail to see these extra benefits when implementing a TJTC program."

Moreover, the TJTC new hires usually become loyal employees. According to companies that hire these individuals, TJTC-eligible workers tend to stay on the job. Many never have had a paying job before and are proud to be working.

Unfortunately, only a few operators use TJTC

Why aren't more restaurants taking advantage of TJTC savings? Because it is a government program, many operators perceive TJTC to be burdensome, with insurmountable paperwork, reporting and compliance procedures that far outweigh any potential savings. These restaurateurs are making a mistake. Participants agree that the TJTC program is relatively simple to implement and operate, and that the savings are well worth the extra effort required. "I think a number of smaller operators are missing a real benefit in TJTC. They think the program is too complicated, but it is well worth the time and money," says Don Gerald. "When we opened our laundry operation, about 80 percent of the people we hired were TJTC-certified. I would say that out of

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Kathy Boyle is a freelance writer in Rockville, Maryland.

900 employees in our restaurants, about 30 to 40 are TJTC-eligible."

How the program works

For an employer to receive the TJTC tax credit, the state employment agency must issue TJTC certification. To begin a TJTC program, therefore, a restaurateur must contact the local state employment agency. The agency, which can usually be located in the telephone directory under such headings as "job services," "unemployment insurance" and/or "state government," provides background materials, supplies information to judge applicants' eligibility, certifies eligibility and finally issues a voucher.

The key requirement is that on or before the first day of employment either the TJTC employee must be found to be TJTC-eligible or the employer must have sent a letter of intent to the state employment agency. "What this means is that you must send a note to the employment service postmarked on or before the first day of employment saying, 'We hired Mr./Ms. so and so and think he/she is eligible for TJTC. We will be sending him/her down later for an interview.' "

Sometimes, however, state employment-agency staff are unfamiliar with the program because in the past there has not been enough information at the state level to teach people about the program. "When we first started, we had to educate state employees about TJTC," says Burger King's Rendin.

Perhaps one reason for this lack of awareness is the awkward way in which TJTC is renewed. It is not currently a long-term program, although businesses are urging Congress to change that. Instead, funding for TJTC must be renewed every year or two by Congress or the program will die. In reality, however, the program has been renewed each time since its inception in 1978. What this funding procedure means on the state level, however, is that when there is delay in funding approval because of committee appropriations hearings and other administrative details, state agency workers involved in TJTC implementation are usually transferred to other departments. Thus the state agency often has to begin with a new batch of workers each year or two.

How to run the program

Companies that pursue the TJTC tax credit can manage the program inhouse through their human-resources department or they can hire an outside contractor to run the program for them. Sometimes they can receive community assistance through such groups as the United Way.

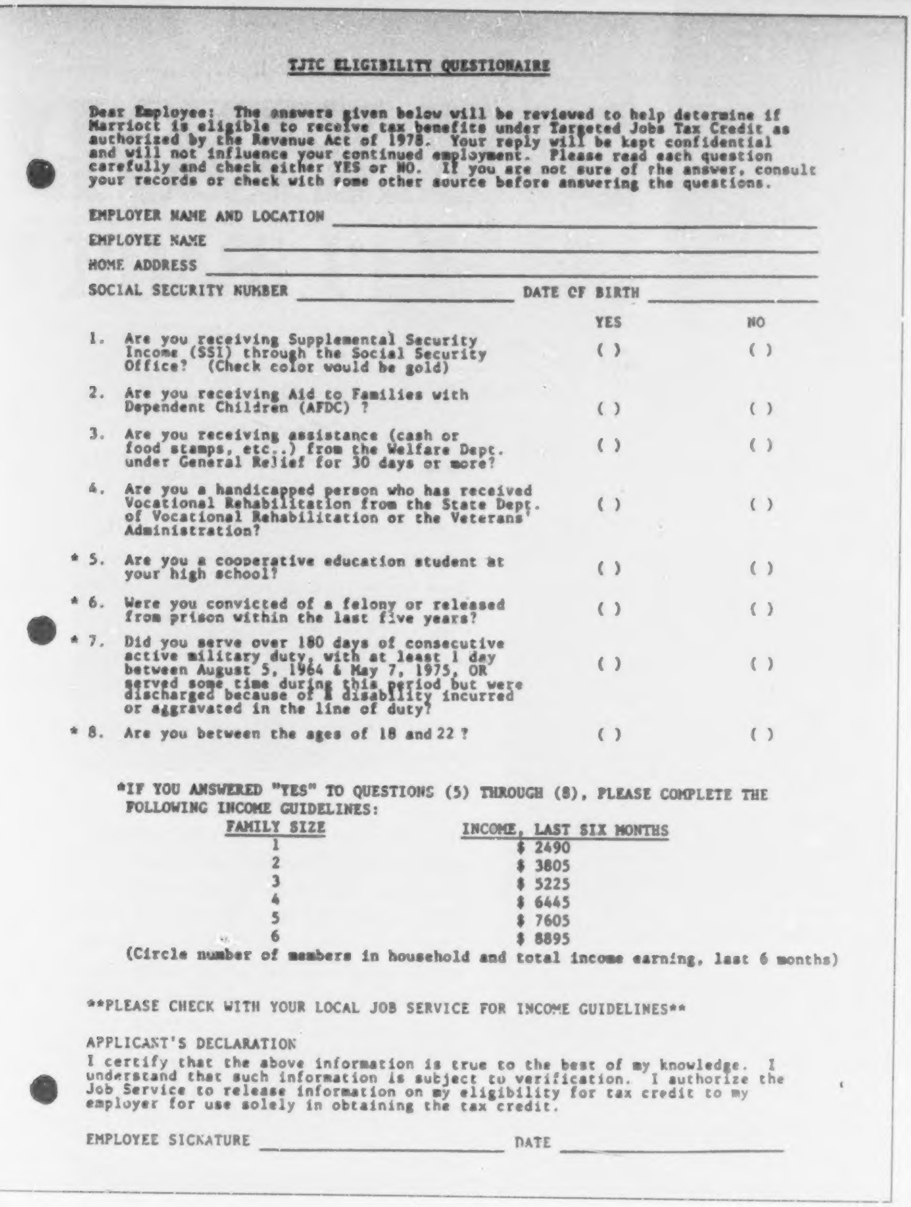
An inhouse TJTC-management program requires staffing—and for chain operators, often a computer system and a designated phone line, preferably an 800 number.

Because local job services have the final word on eligibility, large companies work closely with their unit managers. To make sure local offices have the assistance they need, many larger companies have installed 800-number hotlines. These hotlines are used to answer any questions managers may have or to screen potentially eligible workers. "The hotline number simply expedites the paperwork involved," says Gerald.

Marriott operates its hotline as a screening service from 8 a.m. to 7 p.m. (EST), Monday through Friday. Unit managers call in to talk to one of three hotline operators, who then speak directly with the potential hiree. Spanish-speaking operators are available at all times.

Typically, hotline operators follow a list of questions on the computer, using their own program or a software package developed to screen applicants. (The prepackaged software is best suited to large companies, because of its high pricetag of $50,000 to install and $25,000 each year to lease.)

First the operator explains that all answers will be held in confidence and will not affect the individual's employment opportunities or taxes. Then the hotline operator leads the hiree through a series of programmed questions to determine eligibility, such as "How old are you?" "Whom do you live with?" "Do your parents work?" "What have you been doing for the past six months?" On the basis of the applicant's responses to these questions, the computer will make a determination about the individual's eligibility for a tax credit. If the applicant is eligible for a tax credit, a letter of intent will automatically be sent to the local employment



TJTC ELIGIBILITY QUESTIONAIRE

Dear Employee: The answers given below will be reviewed to help determine if Marriott is eligible to receive tax benefits under Targeted Jobs Tax Credit as authorized by the Revenue Act of 1978. Your reply will be kept confidential and will not influence your continued employment. Please read each question carefully and check either YES or NO. If you are not sure of the answer, consult your records or check with some other source before answering the questions.

EMPLOYER NAME AND LOCATION ______________________

EMPLOYEE NAME ______________________

HOME ADDRESS ______________________

SOCIAL SECURITY NUMBER ______________ DATE CF BIRTH ______________

	YES	NO
1. Are you receiving Supplemental Security Income (SSI) through the Social Security Office? (Check color would be gold)	( )	( )
2. Are you receiving Aid to Families with Dependent Children (AFDC) ?	( )	( )
3. Are you receiving assistance (cash or food stamps, etc..) from the Welfare Dept. under General Relief for 30 days or more?	( )	( )
4. Are you a handicapped person who has received Vocational Rehabilitation from the State Dept. of Vocational Rehabilitation or the Veterans' Administration?	( )	( )
* 5. Are you a cooperative education student at your high school?	( )	( )
* 6. Were you convicted of a felony or released from prison within the last five years?	( )	( )
* 7. Did you serve over 180 days of consecutive active military duty, with at least 1 day between August 5, 1964 & May 7, 1975, OR served some time during this period but were discharged because of a disability incurred or aggravated in the line of duty?	( )	( )
* 8. Are you between the ages of 18 and 22 ?	( )	( )

*IF YOU ANSWERED "YES" TO QUESTIONS (5) THROUGH (8), PLEASE COMPLETE THE FOLLOWING INCOME GUIDELINES:

FAMILY SIZE	INCOME, LAST SIX MONTHS
1	$ 2490
2	$ 3805
3	$ 5225
4	$ 6445
5	$ 7605
6	$ 8895

(Circle number of members in household and total income earning, last 6 months)

PLEASE CHECK WITH YOUR LOCAL JOB SERVICE FOR INCOME GUIDELINES

APPLICANT'S DECLARATION

I certify that the above information is true to the best of my knowledge. I understand that such information is subject to verification. I authorize the Job Service to release information on my eligibility for tax credit to my employer for use solely in obtaining the tax credit.

EMPLOYEE SICKATURE ______________ DATE ______________

A sample questionnaire used by the Marriott Corporation to determine TJTC eligibility.

service. The manager will then make an appointment for the employee at the local employment service.

In addition, in many cases the TJTC-eligible employee must have his/her parent fill out a one-page household-information voucher. The voucher verifies that the employee is not claimed as a dependent on anyone's income-tax form and pays for at least 50 percent of his/her own support.

Marriott's research has shown that proper use of the TJTC hotline can triple the amount of tax credits received.

Companies that prefer not to get involved in running their own TJTC program can hire an outside contractor or consultant to run a program for them. The contractors screen employees for eligibility and follow up with the appropriate paperwork. When Ralph & Kacoo's was acquired by Piccadilly Cafeterias, Inc., management of its TJTC program was turned over to a consulting firm. Now managers call the firm on a hotline to identify their eligible employees. The consulting company then talks to the potential TJTC employee over the phone to determine eligibility. If the employee is eligible, the company processes the information and sends a packet to the unit manager for followup. It is up to the manager to get the TJTC employee to the state employment offices for a certification appointment.

Some companies combine both approaches. Marriott, for example, employs 23 people to run its TJTC program and has installed a TJTC hotline at its headquarters. It also works with a consultant to manage its 2,800 contract food and service management accounts.

Creating management incentives

To make a TJTC program successful, say those who run them, the unit-level manager must see tangible benefits. "You have to create a method for each unit to get back the tax credits," says Tully of Marriott, whose company applies the credit to the unit's wage costs. The manager sees the amount being credited to his/her unit's labor costs. This way, the unit manager sees the direct value of the program and works to seek out the qualified individuals to reduce wage costs on his/her bottom line.

Rendin of Burger King agrees. "We encourage our managers to be on the lookout for TJTC employees by giving them a credit to their bottom line. Also, we are experimenting with a bonus for managers."

Human-resources directors note that they try to make sure the TJTC process is relatively painless for managers—the hotline call is free, the identification process is done for managers, and a postage-paid envelope is sent to return vouchers and certificates to headquarters.

As a further incentive, some companies even rate managers on how many TJTC applicants were approved through the hotline and then what percentage get vouchered.

In addition, companies that run in-house programs have developed such TJTC aids as stick-on phone reminders with the 800-hotline number. "We mail out packets to each unit," explains Tully. "They include stickers to put on the phone, with the proper hotline or TJTC consultant's phone number."

However, the greatest single obstacle to operating a TJTC program is getting the employee to the state employment office for certification. "TJTC-eligible employees either do not want to go or they forget to bring their proof of age or income," reports Tully of Marriott. "To overcome this resistance, we give the manager a $50 bonus for each individual he or she gets to the employment office for the TJTC interview." ❑

FOOD
BACK O

The Food & Drug Administration (FDA) has embarked on a major initiative to improve the information on food labels. Among the questions FDA is addressing is whether fast food should be subject to mandatory labeling of ingredients, and if so, how this would be accomplished.

ARBY'S LEAN ADVANTAGE
The Light Touch
ALL-VEGETABLE OIL
NO CHOLESTEROL
WHAT'S SO GOOD ABOUT THE FAST FOOD HABIT WORTH HAVING?

"The time has come for food-labeling reform," says FDA Commissioner Frank Young. "The public's growing awareness about nutrition and health must be supported by accurate information." FDA is examining five aspects of food labels: the requirements for nutrition labeling, the format used for nutrition information, the requirement for ingredient labeling, descriptions of food (low-fat, "light," etc.) and the use of health messages on food that link the food to disease prevention.

What's on a label?

At first glance it can appear that food labels provide consumers with more nutrition and facts about ingredients than ever before. But the current regulations allow manufacturers enough leeway to tell only part of the story. For example, many products that are promoted as cholesterol-free contain much saturated fat, a worse culprit in contributing to the risk of developing heart disease. Critics have described the current regulations as misleading, dangerous and even criminal.

Ideally, the result of the current FDA initiative will be food labels with more comprehensible and usable information. FDA will determine how much nutrition and ingredient information is relevant. It will select the most useful methods of presentation, such as bar graphs, pie charts and adjective scales (i.e., fair, good, excellent). Food standards and descriptions will be updated to reflect advances in food technology and nutrition. The health-claims issue will be resolved.

FDA will once again consider whether or not to include ingredient information on fast food wrappers.

In 1985 the agency rejected a consumer group's petition to require that all foods served in a container or wrapper by a fast food restaurant disclose the ingredients on products because it questioned the practical aspects of implementation and enforcement. As it did in 1985, the National Restaurant Association is lobbying against fast food ingredient labeling, citing the numerous chain operations that publish ingredient and nutrition information in consumer booklets. Bills recently introduced in Congress to revise and improve food labels specifically exclude foodservice establishments from mandatory provision of ingredient and nutrition information.

FDA will be studying the labeling issue for at least a year.

Food labeling: where it's been

Although ingredient regulations for food labels were instituted in 1938, it was not until 1973 that nutrition information became mandatory on certain food labels. Both regulations have outgrown their original purpose. Ingredient lists originally were intended to provide economic protection for consumers, by preventing manufacturers from skimping on or substituting ingredients. Today's consumers use ingredient lists to avoid certain ingredients, such as salt, sugar and preservatives.

In 1973, when the nutrition information regulations became effective, the relationship between diet and disease was not known to be as strong as it is today. As a result, nutrition information on food labels does not focus on fats and cholesterol but includes less useful data on vitamins and minerals. Plus, nutrition information is not required on all food labels—only on products that make a nutritional claim (i.e., low-calorie), contain added nutrients or are intended for dietary restrictions.

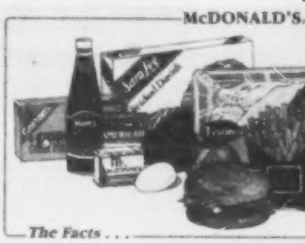
The format used to present nutrient data on packages has been criticized as useless. It is presented on a per-serving basis, but the serving sizes often are unfamiliar to consumers—such as an ounce of pretzels. Also the nutrients are given in foreign measurements, such as grams and milligrams.

Although FDA has traditionally considered health messages or disease-related claims to be drug claims and has prohibited them from food labels, in 1987 FDA developed new regulations to permit the use of health claims on food. The regulations died in bureaucratic review. Lack of regulations in this area has resulted in chaos in the marketplace. And certain manufacturers have been known to push the rules to the limit.

Private initiatives have begun to pick up where federal regulations leave off. The American Heart Association (AHA) is developing a seal-of-approval program for processed foods, designed to assist consumers in heart-healthy shopping. The program has been criticized for oversimplification of the diet-health issue by categorizing foods as "good" or "bad." It is rumored that the FDA is opposed to AHA's program but is reluctant to intervene because it lacks its own health-claims policy. The current FDA initiatives are designed not only to determine how much and what type of nutrition and ingredient information is relevant to consumers but also what a workable health-claims policy might be.

LABELING N FDA'S PLATE

Quality And Nutrition You Can Count On.



Have it your way
BURGER KING Nutrition Guide

Foodservice operators are very much aware of this issue. A National Restaurant Association 1988 survey of chain operations,* for example, shows that 86 percent of the respondents have nutritional information available for patrons, and 79 percent have ingredient-content information. (This represents about 44,000 and 42,000 units, respectively.) Approximately two-thirds of the information is disseminated through corporate headquarters and about one-third is given out in the units.

Guidelines available

Foodservice operators should be aware of their patrons' needs. Some consumers, especially those with food sensitivities and dietary restrictions, need to know what is in the food they eat. The National Restaurant Association has published guidelines to help operators provide information about ingredients and nutrition to their customers. These guidelines outline the issues, explain how to develop appropriate information and discuss effective methods of dissemination. *Guidelines for Providing Facts to Foodservice Patrons* (C1600) sells for $5.50 to members and $11 to nonmembers. You can order a copy of the guidelines by sending a check or money order to the National Restaurant Association, publications department, 1200 Seventeenth Street, N.W., Washington DC 20036. *—Claire Regan, R.D.*

Chain operations of fast food and family restaurants with 350+ units were surveyed. Operations serving primarily pizza and ice cream/yogurt were excluded.

NOTE: The FDA is requesting public comment on the revision of food labels. Submit your views on ingredient or food labeling by December 6, 1989, to: Dockets Management Branch, (HFA-305), Food and Drug Administration, Room 4-62, 5600 Fishers Ln., Rockville, MD 20857.

Submit two copies if you are writing as a business, one if you are writing as an individual. Comments must be identified with "Docket Number 89N-0226."

What's happening in the states

Although federal regulations currently do not require ingredient or nutrition information on restaurant foods, several states and municipalities either mandate that this type of information be available at point of sale or have similar legislation pending. This preemption of federal regulation can be a headache for multi-unit operators doing business in more than one state. Varying laws from state to state require operators to comply with a multitude of regulations rather than one national standard. Currently, federal food-labeling regulations can be enforced only by federal authorities.

Food-labeling bills pending in Congress, however, address the issues of preemption and state enforcement. The Nutrition Labeling and Education Act of 1989 (S. 1425, H.R. 3028) sponsored by Senator Howard Metzenbaum (D-OH) and Representative Henry Waxman (D-CA) would grant states the authority to enforce federal labeling regulations as long as FDA is given 30 days' notice. Another bill, The Food Labeling and Nutrition Act of 1989 (S. 1505) sponsored by Senator Orrin Hatch (R-UT), calls for uniformity in food labeling. This act would allow a state to preempt federal law only if the state regulation "is required by compelling and unique local conditions, would not cause the food to be in violation of any applicable requirement under federal law, and would not unduly burden interstate commerce."

Most trade associations representing food manufacturers are opposed to state or local enforcement or preemption of federal laws. Representatives of the Chocolate Manufacturers Association of the U.S.A. recently told the House Energy and Commerce Subcommittee on Health and the Environment that "the possibility of having 50 different standards and/or 50 different interpretations of the same standard is staggering and incomprehensible for manufacturers of food products who distribute throughout the United States. Uniform labeling is absolutely essential for companies that engage in interstate commerce."

Consumer groups advocate a stronger role for the states in enforcing food-labeling regulations. They argue that FDA lacks the resources to prevent misleading labeling. In the past, states have intervened but have lacked the authority to enforce federal laws in federal courts. With preemption, state officials could assist FDA in enforcing food-labeling laws.

Foodservice establishments specifically have been exempt from these congressional bills, but state preemption of federal regulation remains a concern to the foodservice industry. Comments submitted to FDA or members of Congress regarding the industry's stand on food labeling should address this issue, advocating federal regulations for multi-unit chains operating in more than one state.

THE IMMIGRATION LAW THREE YEARS LATER

by Maura Griffin

Anxiety. Distress. Worry. These are the frustrated words of some restaurateurs across the country in response to the controversial Immigration Reform and Control Act (IRCA) of 1986.

The complicated law strains both the large and small restaurant, especially in the rigorous documentation requirements under the law. As the law approaches its third anniversary, enforcement is also at issue, as well as the role of restaurateurs in immigration control.

"We could become criminals for simply hiring the wrong people," says a Boston restaurant owner who calls the law "absurd." The owner of a Montana restaurant calls the law "useless." A New Mexican restaurant's bookkeeper says the law is a "burden."

Restaurant operators feel they are being used as "police for the government's laws," says Leo Romero, owner of restaurants in Boston and Vermont, articulating the thoughts of many owners.

The service industries have not been prepared for the rigorous documentation procedures the law requires. Particularly small businesses, such as family-owned restaurants, have little experience with detailed paperwork. Nor do they have the time or human resources available to meet those demands.

The law generates an enormous task of researching workers, keeping tabs on their progress if they are alien or temporary workers, and becoming "junior INS officers," as one owner put it, to judge exactly what credentials are in fact legitimate.

Maura Griffin is a freelance writer in Stowe, Vermont.

Foodservice Trends
Special Survey Report

HOW IMMIGRATION REFORM IS AFFECTING RESTAURATEURS

In August 1989, 32 months after passage of the Immigration Reform and Control Act (IRCA) in November 1986, the National Restaurant Association conducted a survey among eating establishments to learn what kind of an effect the law is having on their businesses. Preliminary survey results indicate that numerous employers in the restaurant industry are having difficulty because of the requirements the new law imposes on them.*

Despite the fact that the majority of respondents operate relatively small businesses with less than $1 million in annual sales, the average number of I-9s completed in the 12 months ending August 1989 was nearly 100. Moreover, the average amount of time required to complete just one I-9 was nearly 20 minutes.

Perhaps more telling than the amount of paperwork required is its difficulty. The majority of respondents reported that they frequently or occasionally have difficulty completing I-9 forms. Seven out of 10 reported that they frequently or occasionally have to delay hiring staff because of the difficulty they have verifying documents, and eight out of 10 reported experiencing difficulty obtaining proper identification from job applicants.

The problem of obtaining the required documents from applicants is especially severe with teenagers and other individuals who are seeking their first job. Approximately half of the survey respondents reported that they frequently have difficulty obtaining documents from these individuals. Furthermore, one in five said that adult males and females frequently have difficulty providing the required documents.

**Preliminary results are based on more than 550 responses, a 6 percent response rate. Surveys were mailed to eating establishments in August. Nearly seven in 10 responses are from California, Florida, Illinois, New York and Texas—the states which were the primary focus for the survey because INS is directing a large part of its enforcement efforts to those states.*

Anthony's Fish Grottos of San Diego, a family-run chain with seven branches and 725 employees, was forced to create a personnel department because of the increased paperwork. Director of Human Resources Pauline Gaus said the hardest part of the paperwork was the chore of follow-up investigation on employees. "The follow-up activities—stickers for expirations dates and the like—are the worst . . . . The government is making us into Gestapo agents," Gaus says.

The IRCA facts

The concept of the law—how to control the borders of the United States—was discussed for six or seven years prior to Ronald Reagan's signing the Immigration Reform and Control Act into law. The much-debated legislation became law in November 1986, in part as a response to a perceived flooding of the job market by immigrants.

All employees and job applicants hired after November 6, 1986, are required to show proof of identity and work eligibility in order to be hired. If the employer fails to collect this information, or the information is found to be false, the employer could be faced with severe penalties both for paperwork violations and for employing unauthorized aliens.

The tacit purpose of IRCA is to create an environment so unfavorable that the incentive to immigrate will be lessened and, additionally, illegal aliens who do come into the United States will find it so hard to get work that they will be forced to return to their native countries.

How operators are responding

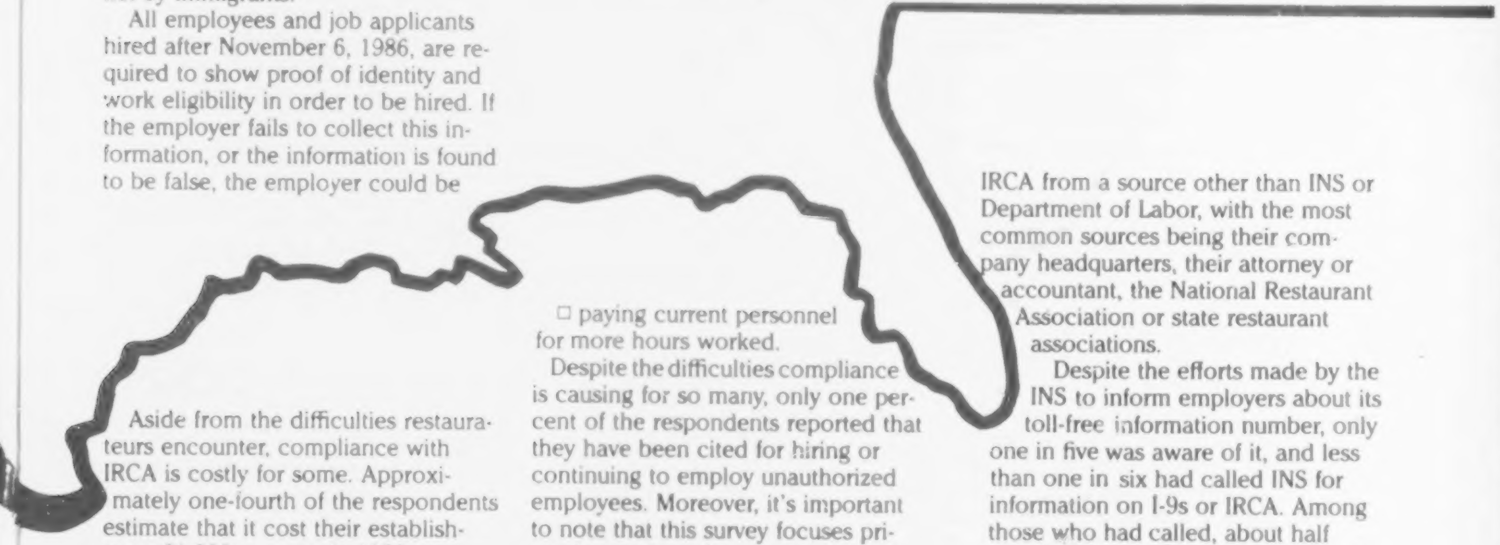
In New Mexico, where employers have traditionally had more experience with undocumented workers, some restaurants have made it a point for years never to hire anyone without proper documentation—so the law is "not really a hassle," says Ann Gonzalez, spokesperson for The Pink Adobe Restaurant in Santa Fe.

"At the time the law came into effect, we weren't hiring undocumented workers," says Gonzalez, who calls the amount of paperwork "tremendous." She adds, "There has always been Mexican immigration here, and we've always been aware of it."

Marjorie Palmisano, owner of Ernest's Orleans Restaurant in Shreveport, Louisiana, says, "We have no problems." Her restaurant, which has been open for a year, employs 30 people. "We've always hired Hispanic-looking people, so we don't have discrimination. Just as long as they have their papers they can work."

In another part of the country, Jack Creach, owner of three Rax franchises in Helena, Montana, finds a different situation. He says there is not one alien among the 360 workers he employs.

"They just don't apply," he says. "We're close to Canada—and we thought we'd have a problem—but



Aside from the difficulties restaurateurs encounter, compliance with IRCA is costly for some. Approximately one-fourth of the respondents estimate that it cost their establishment $1,000 or more in 1988 to comply with IRCA. An additional four in 10 said the cost was between $100 and $1,000.

The most common additional cost incurred was that required for supervisory personnel to review paperwork to ensure compliance; this cost was reported by more than six in 10 respondents. Other actions taken by at least four in 10 respondents to comply with the law include:

☐ purchasing a copy machine or paying for photocopies and

☐ paying current personnel for more hours worked.

Despite the difficulties compliance is causing for so many, only one percent of the respondents reported that they have been cited for hiring or continuing to employ unauthorized employees. Moreover, it's important to note that this survey focuses primarily on those five states where the Immigration and Naturalization Service (INS) is directing a large part of its enforcement efforts—California, Florida, Illinois, New York and Texas. Nearly seven out of 10 respondents were located in one of these states.

Regarding the INS educational campaign to inform employers about the law, more than half report receiving a copy of the *INS Handbook for Employers* with instructions for completing I-9s. In addition, four in 10 report receiving information about IRCA from a source other than INS or Department of Labor, with the most common sources being their company headquarters, their attorney or accountant, the National Restaurant Association or state restaurant associations.

Despite the efforts made by the INS to inform employers about its toll-free information number, only one in five was aware of it, and less than one in six had called INS for information on I-9s or IRCA. Among those who had called, about half found the information they received was timely and helpful.

Finally, a number of employers associate IRCA with their difficulties in finding enough U.S. citizens or authorized aliens to fill job openings. Approximately one-third of the respondents said it is difficult to find enough authorized employees, and more than half of these employers attribute most or all of the difficulty to a labor shortage caused by tighter immigration restrictions.

—Susan Mills

there aren't too many Canadians coming down trying to get jobs."

His managers spend too much time on the strict documentation, he adds. "Rather than focusing on the day-to-day operation, we have to make sure everybody has his or her ID. When I've got a kid without a driver's license, we're in trouble." Creach, who has not had any contact with immigration officials, says he is not even sure he is completing the forms correctly.

Great need for more legal immigrants

Labor is a concern in certain areas of the country with low unemployment because restaurants simply cannot find workers. "The government takes a simplistic view of immigration," says Lee Romero, owner of restaurants in Vermont and Boston. "Hiring Americans is fine and good, but where are they? I can't get American dishwashers."

Pauline Gaus of Anthony's Fish Grottos in San Diego says, "Any employer will tell you it's hard to fill minimum-wage jobs. Our children won't take them."

Romero, Gaus and others are among a growing groundswell of business owners who want more legal immigration to ward off labor shortages.

The National Restaurant Association has identified immigration-related issues as legislative/regulatory priorities, and has established the Immigration Issues Task Force at the May 1989 meeting of its Board of Directors. The task force convened its first meeting on July 20, 1989, in Washington DC. Taskforce members identified two separate goals:

☐ to identify and quantify problems related to the Immigration Reform and Control act of 1986 (IRCA) and

☐ to explore legal immigration reform as a mechanism for expanding the labor pool.

Association employees were instructed to develop a research project to gather industry-specific information relating to IRCA. (See accompaning survey report.)

The task force also identified a two-pronged approach to expanding the labor pool through legal immigration reform: (a) to increase the number of permanent visas granted to immigrants who are comparatively less skilled and (b) to explore the prospects of a temporary nonimmigrant-worker program.

Meanwhile, the House Subcommittee on Immigration has begun to focus on legal immigration reform. Hearings have been scheduled for September 27 and 28 and for October 4.

The Pink Adobe has a similar problem with American citizens, Gonzalez says. "It's not the Mexicans I have to chase—they come prepared with all their paperwork—it's the Americans I have to hound, because they've lost their Social Security cards or their birth certificates."

Compliance and enforcement challenges

In the last year, an estimated 70 percent of the issued fines have been against the service industry—primarily restaurants and hotels, reports Donald Niehlson, spokesman of the Immigration and Naturalization Service's (INS's) southern field office.

Frederic C. Hite, an immigration lawyer working in Boston and author of *Aliens in the Workplace: An Employer's Guide to the Immigration Law*, says the INS may be targeting restaurants because "it's a business that traditionally has many more aliens than other industries. They may be making an example."

Enforcement—how fairly and how legally it is administered—is an issue of contention across the nation, in heated discussions and, more important, in the courts. Many feel the INS is overzealous in its prosecution of paperwork violations.

A one-page form called the I-9, where employers list the documentation for all new employees' right-to-work and identity, is at the center of this enforcement controversy.

"The I-9 is very simple to complete," said Charles Midby of the INS field office in Minneapolis. "In fact, it's about the easiest government form I've ever seen." While a single Form I-9 may not seem too complex, completing one for every employee, determining which documents are acceptable and attesting to their authenticity, make hiring personnel an onerous and frightening prospect. Especially when guidance is hard to come by and an employer needs help immediately, he finds himself in a box—should he run his business or do his duty as an INS agent? He has to choose the latter, since violating the law is out of the question both ethically and financially.

The INS has stated there will be no fines for paperwork violations, unless they are "egregious," or unless they are coupled with actual hiring violations.

Yet restaurant owners are being fined for failing to meet standards set by the INS for the completion of the form. Domino's Pizza, for one, was fined $20,000 for what was called "solely paperwork violations," according to spokesman Ronald Hingst.

The INS says there has been "excellent compliance" with the law, according to INS information officer Rudy Murillo. "We know that because they come to us and ask us how to fill out the forms. We also do spot surveys and I-9 inspections."

Anthony's Fish Grottos was audited in October 1987, says Gaus. This was before fines were levied for the first violations, but she says, "They'll get you for forgetting to date something or for not having the correct check marks. We really have to dot every i and cross every t—little things that have nothing to do with hiring illegal aliens."

Many owners, afraid of fines from the INS for paperwork violations, have struggled to learn precisely what information is needed for all employees. Domino's Pizza and other large chains have requested educational seminars from the INS and have held "how to" meetings for their workers and managers, says Hingst. The Furr's Cafeteria chain has also worked closely with the INS.

Determining exactly what documents are acceptable can be a problem says Gonzales of The Pink Adobe. "What is confusing is what is necessary. I call the INS's toll-free number, but I get a long recording with no new information and no one to talk to. I finally had to call the immigration department in Albuquerque." She found out that some documents are allowed by the INS but are not listed in the sheets given out by the INS. Many other restaurateurs have voiced similar complaints. ❑

A profile of the mature market

The maturing of America is beginning. As their numbers continue to grow, individuals older than 55 are likely to become an even more valuable market segment for restaurateurs. These consumers, who have plenty of leisure time, prefer midscale restaurants. They also have distinct food preferences and are less likely to use off-premises dining.

Seniors make up a large part of the overall population, and their numbers are growing. This year, the U.S. Bureau of the Census projects that more than one out of every five Americans will be 55 years of age or older. These consumers are a strong market for restaurants; they spend a large proportion of their food budgets away from home. (Refer to "More food dollars go to restaurants" in this department).

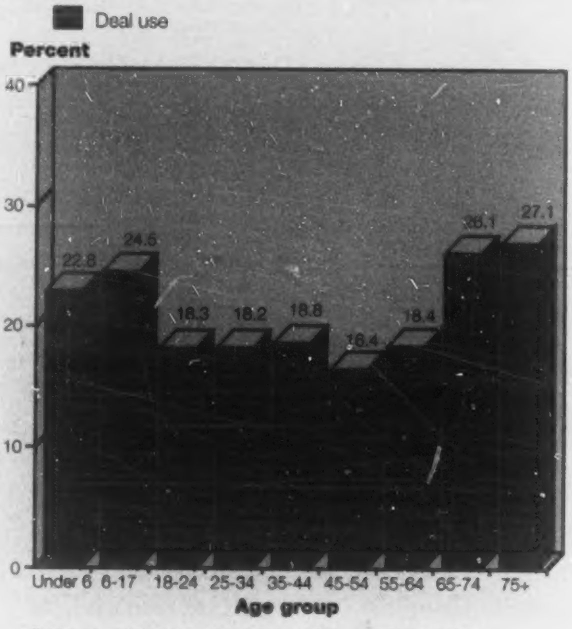
Economic facts about the mature market

The national economic picture is now shifting. The 60 million Americans older than 50—one-fourth of the total U.S. population—will turn out to be the most powerful and affluent consumer group in history.

Although they represent only 25 percent of the total U.S. population, Americans 50 years old and older now have a combined annual personal income of more than $800 billion and control 70 percent of the total net worth of U.S. households—nearly $7 trillion.

These consumers are more interested in purchasing experiences, such as travel and recreation, than things.

Source: *Age Wave* by Ken Dychtwald, Ph.D., and Joe Flower, 1989



The highest proportional use of promotions occurs among patrons age 65 and older

Source: National Restaurant Association CREST study

Rapid growth in '90s

According to the U.S. Bureau of the Census, the population of individuals 55 years old and older has grown by 11 percent between 1980 and 1989—virtually equal to the 10 percent increase for individuals under 55 years of age. Moreover, the 75-year-old and older age group has shown the greatest gain in the mature population segment, increasing 28 percent during the past nine years. By comparison, the 65 to 74-year-old population grew by 16 percent, and the segment of individuals between the ages of 55 and 64 did not show any increase. According to the Census Bureau population projections, this general trend is expected to continue into the early 1990s.

By 1996, when the leading edge of the baby boomers will be more than 50 years old, the 55-years-old and older group is expected to consist of 56 million individuals—up 6 percent from 1989. By comparison, the population segment of individuals less than 55 years of age will grow by only 5 percent over the next seven years. This is just the beginning of the maturing of America. Between now and the year 2020, the 55-and-over age group will grow from 53 million to 93 million—an increase of 77 percent.

Midscale restaurants popular

Midscale restaurants are more popular with older consumers than with the population in general. According to a National Restaurant Association CREST* study, in 1988 midscale restaurants captured less than 25 percent of total industry traffic. By comparison, 36 percent of eater occasions** for 55 to 64-year-olds occurred at midscale restaurants. Among consumers 75 years old and older, almost half (46 percent) of their total eater occasions were in midscale restaurants.

The likelihood of patronizing quickservice restaurants is much lower for seniors than for other groups. At nearly the identical rate that midscale restaurant popularity increased among mature consumers, quickservice establishment popularity decreased. In 1988 more than one-half (53 percent) of all eater oc-

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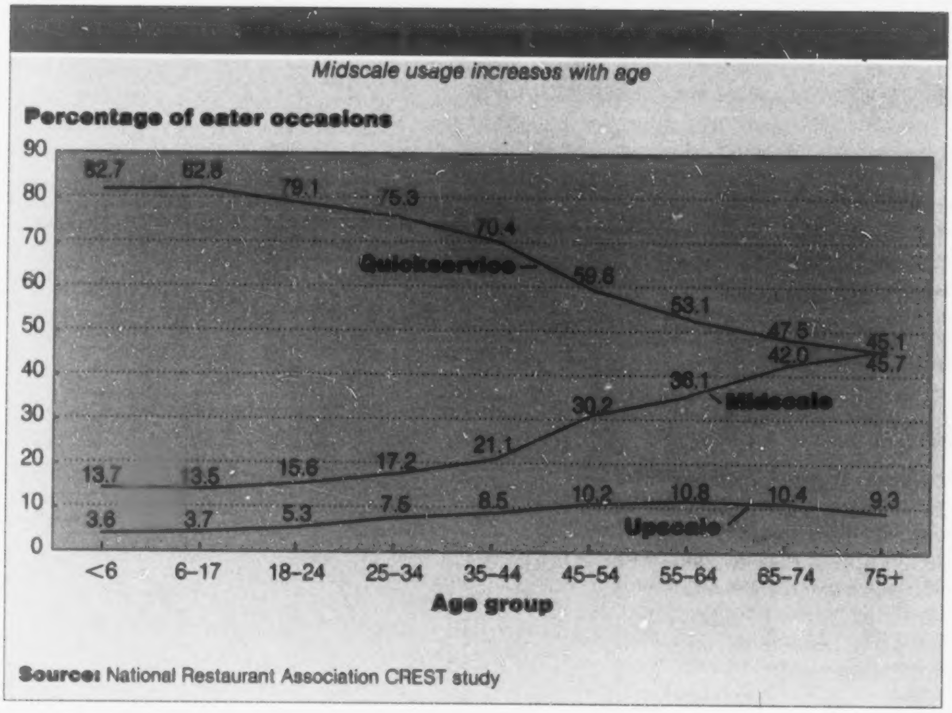
**CREST stands for Consumer Reports on Eating Share Trends, a diary survey conducted by one of the NPD marketing and research companies.*

***An eater occasion is one meal eaten by one person.*



Source: National Restaurant Association CREST study

casions for patrons between the ages of 55 and 64 was in quickservice establishments—a great deal less than with consumers younger than 55 (71 percent).

A recent National Restaurant Association study, *Dinner Decision Making,* revealed that customers older than 60 tend to dine at self-service cafeteria/buffets more than at a sit-down or fast food restaurants. In contrast, individuals between the ages of 50 and 59 tend to patronize sit-down restaurants with a check size of more than $10.

Food preferences of mature patrons

According to a recent CREST study, certain dishes are definitely more popular with mature patrons than they are with younger consumers. Among them are:

- ☐ beef entrees
- ☐ nonfried fish and poultry items
- ☐ salads
- ☐ nonfried potatoes
- ☐ vegetables
- ☐ soups and
- ☐ nonfrozen desserts.

Foods relatively less popular with seniors are:

- ☐ hamburgers
- ☐ pizza
- ☐ french fries and
- ☐ Mexican food.

However, a 1989 CREST study indicates that mature patrons today are eating more pizza, hamburgers and french fries than their cohorts in the past, indicating that the learned eating behavior of younger consumers might be carrying over into the golden years.

According to a new National Restaurant Association study, *The Market for Ethnic Foods,* several ethnic foods are popular with consumers 55 years old and older. More than six out of 10 mature patrons have tried Chinese and Italian cuisines and more than half have tried Mexican food. One out of four consumers age 55 and older indicated liking hot and spicy dishes.

On-premises versus off-premises traffic

Mature customers are less likely to enjoy their meal off premises than are their younger counterparts. In 1988 off-premises traffic

Aging states

In 10 states, the 65-year-old and older population increased by 25 percent or more between 1980 and 1987. According to the Association of Retired Persons, the increases were as follows: Alaska (63 percent), Hawaii (43 percent), Arizona (40 percent), New Mexico (29 percent), South Carolina (28 percent), Florida (27 percent), Delaware and Utah (26 percent), and North Carolina (25 percent).

Lifestages of the mature population

A new study by J. Walter Thompson on lifestages investigates consumer behavior. The study concludes that mature individuals are surprisingly well-off, both financially and emotionally.

The study categorizes the mature market into two primary lifestages—"empty nesters" and "left-alone singles."

Empty nesters are couples whose children no longer live at home. They are on average 62 years old and are 32 million strong—a 19 percent share of the adult population, which ranks second in size among the nine various lifestages.

By 1995, empty nesters will account for four in five couples in the United States (36 million).

Finished with making sacrifices of time and money for their children and having a large proportion of the nation's income, empty nesters will be the big-ticket leisure market of the future.

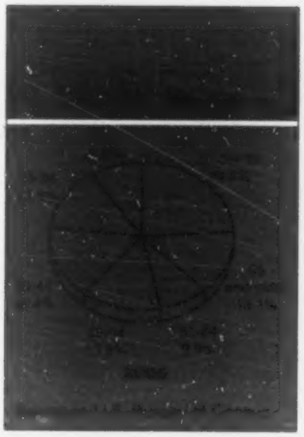
Left-alone singles are seniors who have lost their spouses or are separated or divorced. They are 70 years old on average and account for a 7 percent share of all adults (12 million).

Left-alone singles are the fastest-growing singles segment, expanding by three million by 1995.

Predominantly women (77 percent), left-alone singles have a disproportionate number of financial investments and modest living expenses, leaving them quite well off financially.

Left-alone singles are the most diet-conscious and health-conscious of all lifestage segments.

Source: J. Walter Thompson, *Lifestages,* June 1989



was 46 percent for the overall industry, which is more than double the 22 percent for persons older than 65. For individuals 55 to 64 years old, 30 percent of their meals were off premises.

Nonetheless, the popularity of off-premises dining is growing among patrons 55 years old and older. Although off-premises traffic advanced 35 percent for the restaurant industry between 1882 and 1988, off-premises traffic for 55 to 64-year-olds increased a somewhat lower but still impressive 30 percent. Off-premises traffic for consumers older than 65 increased 32 percent over the same time period.

High use of promotions

Promotional usage was most prevalent among patrons older than 65, perhaps reflecting their dependence on fixed incomes after retirement and their having more time to shop for food deals. In 1988 the percentage of eater occasions involving a promotion was 27 percent for patrons older than 75; 26 percent for the 65-to-74 age group; and 18 percent for 55 to 64-year-olds—compared to 20 percent for the total industry. Customers 55 years of age and older represented 24 percent of all eater occasions in 1988 involving a promotion, but that segment accounted for 21 percent of all industry traffic.

Weekday occasions tops with seniors

Overall, restaurants are used most heavily on weekends; but as consumers reach retirement years, they tend to visit restaurants increasingly on weekdays. Almost two-thirds (63 percent) of all restaurant traffic by individuals older than 65 occurred on weekdays, compared to 56 percent of overall industry traffic.

Mature patrons also differ from younger adults by when they like to eat out. Lunch becomes the primary restaurant occasion as consumers get older. In 1988, 47 percent of all eater occasions took place at lunch for consumers 75 years old and older, and 42 percent for those between the ages of 65 and 74, compared to 36 percent for the overall industry. Breakfast, too, accounts for a greater portion of restaurant visits for consumers between the ages of 55 and 74—17 percent versus 12 percent for the overall industry. Consumers 75 years old and older, however, show no variance from the industry norm for breakfast frequency.

Dinner, in contrast, is less popular among mature patrons. Overall, dinner eater occasions composed 41 percent of total industry traffic, but only 36 percent of traffic for the 55-year-old and older segments. Evening snacks, especially on weekends, were also less popular with mature patrons than with overall restaurant patrons.

—Elizabeth Gordon

Full-menu restaurant expenses climb

Although total sales at full-menu establishments advanced in 1988, restaurant profits were held down by escalating expenses, including payroll, benefits and occupation costs. This special analysis focuses on establishments that participated in the National Restaurant Association Industry Operations Survey and reported operating data for two consecutive years.

According to a special analysis of the 1989 National Restaurant Association Industry Operations data, total median per-seat sales for full-menu tableservice restaurants increased 4 percent in 1988, but occupation costs and controllable expenses advanced by a higher 8 percent. The bottom-line result was no increase in restaurant profit per seat. For full-menu-tableservice respondent establishments,

[illegible]

Total sales advanced 4 percent

	Percent change*
Total sales	4%
Total cost of sales	3
Total income	6
Total controllable expenses	8
• Payroll	8
• Employee benefits	26
• Direct operating expenses	3
• Music and entertainment	No change
• Advertising and promotion	−6
• Utilities	4
• Administrative and general	7
• Repairs and maintenance	12
Total occupation costs	8
Restaurant profit	No change

**All percent change figures are based upon median dollar amounts per seat and are not intended to be representative of or set standards for the industry. Full-menu tableservice respondents providing two years of comparable data—the sample—numbered more than 480.*

Source: National Restaurant Association 1989 Restaurant Industry Operations Survey between 1987 and 1988 restaurant profit as a percent of total sales remained essentially stable at 3 percent, or $135 per seat.

Expenses for benefits jump

In 1988 controllable expenses, which include payroll, benefits, advertising and repair/maintenance costs, captured 51.2 percent of the total full-menu-tableservice sales dollar—up from 50.4 percent in 1987. Higher payroll and benefits expenses were primarily responsible for the increase in total controllable expenses at full-menu establishments between 1987 and 1988.

Costs of employee benefits on a per-seat basis among full-menu-tableservice survey respondents jumped a dramatic 26 percent—from $181 per seat (4.0 percent of sales) in 1987 to $228 (4.6 percent of sales) in 1988. It is likely that these higher benefit costs are largely due to an increase in employer Social Security (FICA) taxes on tips. Payroll expenses also climbed—up 8 percent in 1988 to reach $1,593 per seat. These growing employee payroll expenses may reflect operator efforts to deal with a tighter labor market.

Other notable controllable-expense changes among full-menu tableservice respondents between 1987 and 1988 include:

□ **A decline in advertising and promotion costs.** Full-menu tableservice respondents indicated that between 1987 and 1988, spending on advertising and promotions declined on a per-seat and ratio-to-total-sales basis. In 1987 median advertising and promotional costs were $100 per seat, but they were trimmed to $94 per seat in 1988—perhaps as a result of the additional cost pressures experienced by operators.

□ **An increase in repairs and maintenance expenses**. Median expenditures for repairs and maintenance advanced 12 percent at full-menu tableservice establishments between 1987 and 1988. This controllable expense reflects painting, decorating and building-alteration charges that are not considered to be improvements and could represent repositioning of some establishments through design changes in order to stimulate customer traffic.

These growing employee payroll expenses may reflect operator efforts to deal with a tighter labor market.

Occupation costs up

Occupation costs, which include rent, property taxes and property insurance, continued to advance for full-menu tableservice operators in 1988. Median total occupation costs per seat were $372 in 1988—up almost 8 percent from $345 per seat in 1987. Rent expenses advanced 6 percent during the same time period, but property insurance costs remained stable. Property-tax expenses grew by 3 percent.

—Hudson Riehle

More food dollars go to restaurants

Americans are continuing to increase their spending on food away from home. According to the most recent Bureau of Labor Statistics (BLS) Consumer Expenditure Survey, *in 1987 households spent more than 37 percent of their weekly food budget on food away from home,* compared to 32 percent in 1980.*

The "average American family" has been changing in recent years; so, too, have its spending patterns. According to *Consumer Expenditure Survey* data, the amount spent on food away from home varies by such demographic factors as income, age, marital status and the presence of children.

The importance of age and income

According to special tabulations of the BLS 1987 *Consumer Expenditure Survey,*** households headed by an individual less than 25 years of age and those with an annual income of more than $50,000 allocated the highest portion of their annual food budgets to purchasing food away from home. Both allocated approximately 50 percent or more of their annual food budgets to restaurant meals and snacks.

Across every income level, households headed by an individual less than 25 years of age generally allocated more than half of their food budgets to spending away from home. Similarly, households with an income of $50,000 a year or more surpassed all other income groups in spending on food away from home.

"Empty nesters," households headed by persons 55 years of age or older, whose children have grown and left home, continue to be a strong market for restaurateurs. These households are smaller in size—2.3 persons for a household headed by a person between 55 and 64 in 1987 and 1.8 for households headed by a person between 65 and 74—than the average household, which was composed of 2.6 individuals. But the smaller size does not curtail spending on food away from home. For example, for households with an annual income between $20,000 and $29,999 in 1987, the annual per-capita spending on food away from home increased with age. Households headed by a person between 55 and 64 years old

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**The National Restaurant Association estimates that in 1987 more than 42 percent of the food dollar was spent on food away from home. This proportion is higher than the figure reported by BLS, because it includes all expenditures on meals and snacks away from home, both personal and business. It also includes amounts for food that may be incorporated in airline tickets, hospital bills, school meals, etc.*

***Integrated data from both diary and interview surveys (see sidebar for explanation)*

Annual spending for food away from home in 1987 by age of household head

In general, as household income increased, so did the per-person weekly expenditures and the portion of the weekly food budget allocated to food away from home

Age of household head	**Less than $5,000**	**$5,000-$9,999**	**$10,000-$14,999**	**$15,000-$19,999**	**$20,000-$29,999**	**$30,000-$39,999**	**$40,000-$49,999**	**More than $50,000**
	Annual household income							
Less than 25 years old								
• Percent of annual food budget for food away from home	57%	46%	51%	49%	51%	56%	***	***
• Per-person expenditure for food away from home	$571	$515	$592	$651	$746	$859		
25 to 34 years old								
• Percent of annual food budget for food away from home	34%	27%	39%	44%	44%	46%	50%	51%
• Per-person expenditure for food away from home	$341	$205	$373	$488	$587	$629	$789	$925
35 to 44 years old								
• Percent of annual food budget for food away from home	39%	29%	34%	36%	44%	43%	45%	53%
• Per-person expenditure for food away from home	$298	$250	$312	$407	$547	$585	$683	$1,015
45 to 54 years old								
• Percent of annual food budget for food away from home	32%	28%	32%	37%	38%	41%	43%	52%
• Per-person expenditure for food away from home	$360	$302	$337	$369	$564	$638	$741	$1,095
55 to 64 years old								
• Percent of annual food budget for food away from home	32%	28%	30%	31%	40%	42%	44%	48%
• Per-person expenditure for food away from home	$423	$294	$397	$485	$594	$714	$789	$1,027
65 to 74 years old								
• Percent of annual food budget for food away from home	29%	30%	31%	33%	41%	38%	44%	52%
• Per-person expenditure for food away from home	$327	$402	$449	$472	$756	$578	$968	$1,176
75 years and older								
• Percent of annual food budget for food away from home	11%	24%	30%	32%	33%	37%	***	***
• Per-person expenditure for food away from home	$112	$283	$449	$427	$528	$483		

****insufficient data*

Source: Bureau of Labor Statistics, *Consumer Expenditure Survey, 1987* (Integrated data from diary and interview surveys)

Explanation of data

Since 1980 the BLS has used the *Consumer Expenditure Survey* to track annual consumer expenditures. (Prior to 1980, the survey was conducted every 10 years.) The results reported here are from both the 1987 diary survey, which includes data on age, income, household size and household composition, and a new integrated report, covering both interview and diary surveys.

The diaries, kept by more than 5,000 households for two consecutive one-week periods, are used to collect information about expenditures for food, beverages, tobacco and personal-care products. (Expenditures incurred while traveling away from home are not included.) Data are reported as weekly expenditures.

The interview survey is designed to record major expenditures—which respondents are expected to remember for more than three months—such as cars, furniture, appliances, insurance premiums, housing costs; these are reported as annual expenditures.

To make the data more representative of total spending in such areas as food away from home, BLS has begun providing integrated data for expenditures by age of household head and income (cross-tabs). Since the data include portions from the interview survey as well as the diary survey, the annual expenditure on food away from home includes expenditures incurred while traveling, making up for the amount not included in the diary portion of the *Consumer Expenditure Survey* alone.

[illegible]

Households with children spent less per-person on food away from home than did households without children

Household composition	**Average amount spent weekly on food away from home**	**Percent of weekly food budget**	**Weekly per-person expenditure**
Total households	$23.60	37%	$9.08
Total husband and wife families	28.18	36	8.81
☐ Husband and wife only	24.83	39	12.41
☐ Oldest child under 6 years old	22.17	32	6.33
☐ Oldest child 6 to 17 years old	32.82	36	7.81
☐ Oldest child 18 years old or over	35.22	35	9.03
☐ Other husband and wife families	26.90	29	5.38
Single parent with child(ren) 18 years old or younger	16.52	32	5.70
Single person and other households	17.71	42	11.81

Source: Bureau of Labor Statistics, *Consumer Expenditure Survey, 1987* (data from diary surveys)

spent $594 per year, while households headed by a person between 65 and 74 spent $756.

In fact, empty nesters in the highest income group ($50,000+)—17 percent of all households headed by an individual 55 to 64 years old and 5 percent of all households headed by an individual between 65 and 74—were two of the three biggest per-capita spenders on food away from home in 1987, spending $1,027 and $1,176 per year, respectively.

The role of household composition

In 1987 the average American household allocated 37 percent of its weekly food budget—$9.08 per person—to food away from home, according to the *Consumer Expenditure Survey.**** Single persons living alone and other non-married households, such as roommates with no dependents, allocated 42 percent of their weekly food budget, or $11.81 per person, to food away from home—the largest portion of any household type. Households consisting of a husband and wife with no dependent children spent 39 percent of their weekly food budget, or $12.41 each, on food away from home.

> ***The amount spent on food away from home varies by such demographic factors as income, age, marital status and the presence of children.***

According to the *Consumer Expenditure Survey,* when children, regardless of their age, are part of a household, spending on food away from home is lower. In 1987 households with a husband and wife where the oldest child was under 6 years old spent 32 percent of their weekly food budget—or $6.33 per person—on food away from home. Households headed by a married couple where the oldest child was between 6 and 17 allocated 36 percent of their weekly food budget to food away from home (spending $7.81 per person), and married couples whose oldest dependent child was 18 or older spent 35 percent of their weekly food budget—or $9.03 per person—on food away from home.

Single-parent households spent the least money on food away from home of any household type—$16.52 a week—which was more than $7 less than the average household. Single parents allocated 32 percent of their weekly food budget to food away from home, the same percentage as married parents with children under 6. On a per-capita basis, however, single parents spent a lesser $5.70 per week—the second-lowest amount of any household type.

How other demographics affect spending

In addition to household composition, other demographic variables also have an effect on spending on food away from home. Other highlights from 1987 *Consumer Expenditure Survey* findings include:

Age:

☐ Households headed by a person 25 years old or younger spent the highest portion—about half—of their weekly food budget on food away from home, as well as the most per capita—$9.97 per week.

☐ Households headed by an individual 75 years old or older spent the least on food away from home. These households allocated 26 percent of their weekly food budget and spent an average of $6.26 per person per week.

☐ Households headed by an individual between 35 and 44 years old spent the most each week on food away from home—$32.02.

Income:

☐ In general, as household income increased, so did the per-person weekly expenditure and portion of the weekly food budget allocated to food away from home.

☐ Households with an annual income of more than $50,000 spent an average of $49.29 per week on food away from home—more than $25 above the average American household, which spent $23.60 per week. Spending on food away from home accounted for 46 percent of these households' weekly food budget, and totaled $15.40 per person.

****Data from diary survey (see sidebar for explanation)*

□ Households with an annual income between $5,000 and $9,999 spent the least on food away from home. These households allocated 25 percent of their weekly food budget, spending on the average $9.30 per week or $4.89 per person per week.

Household size:

□ Although the amount of money spent per week on food away from home increased with household size, the amount spent per person decreased with size, as did the proportion of the weekly food budget.

□ Single-person households allocated the highest percentage of their weekly food budget to food away from home—46 percent. Households with six or more people allocated the smallest percentage—29 percent.

□ Single-person households spent the most per person on food away from home during an average week—$15.70, while households of 6 or more people spent $4.16 per person per week.

—Nancy Michalski

Customers order more bakery items

Bread item orders in restaurants were up 3 percent during the first half of this year, compared to the same time period in 1988. In 1988 breads and sweet rolls were ordered on 15 percent of restaurant eater occasions. Here are some 1988 highlights for each type of baked goods.

Focus on all breads except buns and rolls used for sandwiches and other menu items:

□ Breads are most often ordered at dinner. According to a recent National Restaurant Association CREST study, 44 percent of all bread orders in 1988 were at dinner, 30 percent were at breakfast, 24 percent were at lunch and the remainder were as a snack.

□ More bread orders occurred on the weekend than during the week.

□ Women showed a slight preference for most breads, especially croissants, bagels and muffins.

□ Breads were a great deal more popular with patrons older than 35, who accounted for more than two-thirds of all bread orders.

□ Almost three-quarters (74 percent) of all breads served by restaurants were eaten inside the eating place. Sliced toast, English muffins, dinner rolls and other breads were most likely to be eaten inside the restaurant, while croissants and bagels were the least likely to be eaten on-premises.

Focus on bagels:

□ More than one-fifth of all bagel-eater occasions took place at work.

□ Bagels were consumed more often than any other bakery item by consumers with a high income—39 percent of all bagel orders were by patrons with an annual household income of $40,000 and above.

□ Although promotions were used on 20 percent of all bakery-eater occasions, deal usage for bagels was only 8 percent of all bagel eater occasions.

Focus on sweet rolls, donuts, cinnamon rolls and buns, danish rolls, etc.:

□ The most favored meal for sweet rolls is breakfast. In 1988, 55 percent of orders were at breakfast, 20 percent were as a morning snack, 8 percent were at lunch and the remainder were at dinner or as afternoon and evening snacks.

□ Sweet rolls were ordered most often on the weekend, especially donuts.

□ Both males and females enjoy sweet rolls.

□ Sweet rolls were most popular with people between the ages of 25 and 50.

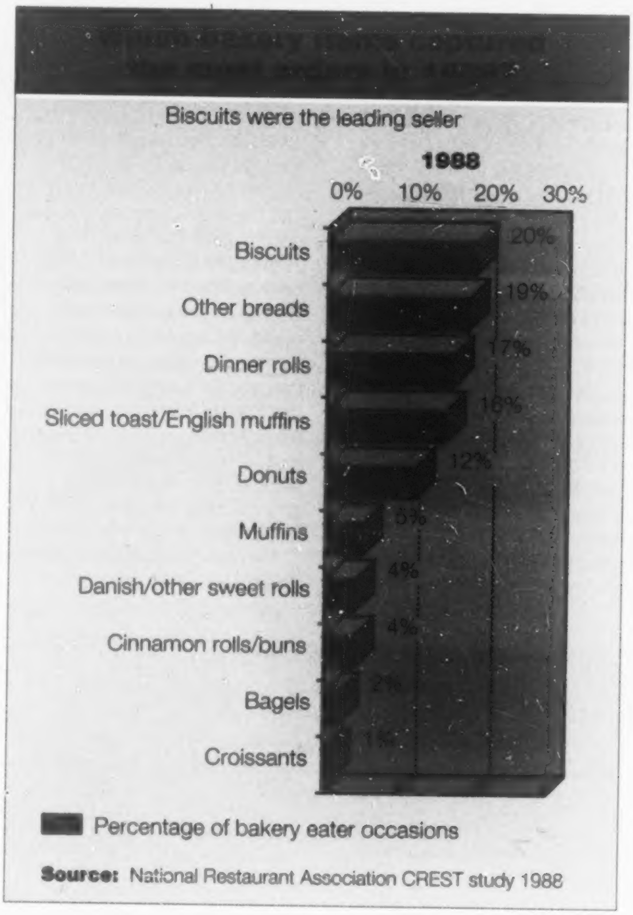
Focus on donuts:

□ Donuts were the least popular bakery item with consumers older than 50.

□ Households with children 12 years old and younger represented 29 percent of all donut eater occasions.

□ More donuts were eaten in the car than any other bakery item—15 percent of all donut eater occasions, compared to 4 percent of total bakery items.

—Elizabeth Gordon



Source: National Restaurant Association CREST study 1988

Foodservice Market Measure–Aug. 1989

Reversing a strong showing in July, the Foodservice Market Measure reached its lowest level since March, marking a disappointing end to the summer season. Foodservice patronage was down by 6 percentage points in August 1989, with 43 percent of adults reporting they were patrons on a typical day. Nevertheless, the Market Measure was only slightly below the level it reported in August 1988. Especially hard hit this August were lunch and dinner, both of which had experienced their highest levels of patronage in July 1989 since the Market Measure was launched in June 1988.

The primary reasons for the decrease in patronage was a significant decline in the proportion of adults who were on-premises patrons. Twenty-four percent of adults reported they had eaten at a restaurant on a typical day in August—the lowest level in the 15 months that the Market Measure has been tracking behavior. In contrast, 33 percent were on-premises patrons on a typical day in July and 29 percent were on-premises patrons in June. Last August more than 29 percent of adults were on-premises patrons.

All on-premises meals were affected by the downturn, but the most dramatic decline occurred at dinner—just 10 percent of adults reported they had been on-premises patrons on a typical day, down from 17 percent in July and 13 percent in June. Furthermore, a slightly larger proportion of adults—11 percent—reported they had purchased dinner for carryout or home delivery—the first time the proportion of off-premises patrons exceeded that of on-premises patrons since the Market Measure began tracking customer behavior.

Overall off-premises patronage involved 21 percent of adults, similar to the figure in June 1989 and slightly above the 18 percent recorded in August.

Because there was such a marked decline in August patronage, it is possible to identify several significant month-to-month changes:

☐ Foodservice patronage by men dropped from 56 percent in July to 46 percent in August.

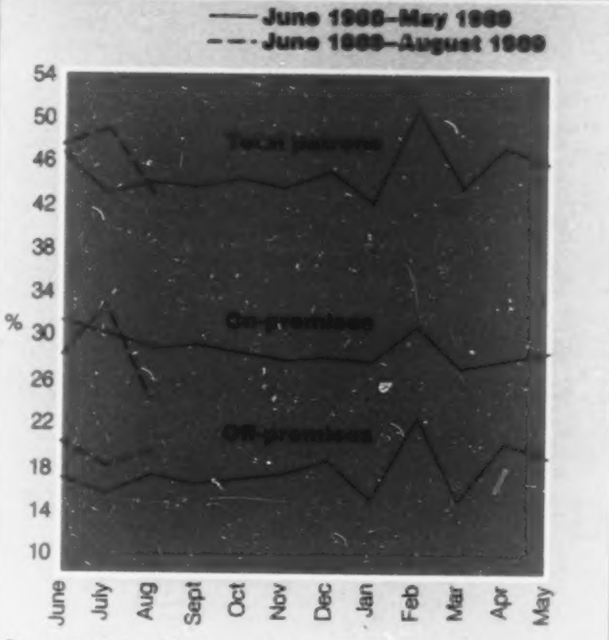
☐ There was a significant decline in patronage by customers whose annual incomes were less than $40,000 (although patronage for consumers with incomes of $40,000-plus remained steady).

☐ Patronage by consumers 50 years old and older declined from 40 percent in July to 28 percent in August.

A regional analysis shows that three out of four regions posted declines in patronage, but the only significant decline occurred in the East, where the proportion of adults who reported being foodservice patrons was 38 percent on a typical August day, down from 52 percent in July.

—Susan Mills

Percent of adults who were foodservice patrons on a typical day



Source: National Restaurant Association Gallup Survey

On-premises patronage on a typical day

Meal period	August 1988	June 1989	July 1989	August 1989
Breakfast	5%	3%	4%	2%
Lunch	15	14	15	12
Dinner	12	13	17	10
Snack	2	1	2	1
Total	**29%**	**29%**	**33%**	**24%**

Source: National Restaurant Association Gallup Survey

Percent of adults who were foodservice patrons on a typical day

Meal period	August 1988	June 1989	July 1989	August 1989
Breakfast	6%	4%	6%	3%
Lunch	22	20	23	19
Dinner	20	23	25	21
Snack	4	3	4	3
Total	**44%**	**47%**	**49%**	**43%**

Source: National Restaurant Association Gallup Survey

Foodservice Market Measure

The Foodservice Market Measure is based on 1,000 telephone interviews, conducted by the Gallup Organization each month, with a nationally representative sample of adults age 18 and older. Each person is asked the same questions:

1. Which of the following did you do yesterday?

☐ Ate on the premises of a restaurant, fast food place, cafeteria or any other place where you purchased a meal or snack.

☐ Purchased takeout food "to go" or had it delivered.

2. Was the food you ate on premises yesterday for breakfast, lunch, dinner or a snack?

3. Was the takeout food you purchased or had delivered for breakfast, lunch, dinner or a snack?

The monthly tracking of purchases is supplemented by quarterly inquiries on topics of industry interest.

MAKING A NAME WITH GAME

Now that game is more available and milder tasting, it is appearing on menus across the country.

[illegible]

Location: Stowe, VT
Association members: Libby and Dave Helprin, Jack Pickett, Bob Howd
Operation: Ten Acres Lodge
Profile: Fine-dining restaurant in lodge
In business: 12 years
Seats: 50
Meals served: Breakfast, dinner

Ten Acres Lodge offers meals and accommodations to skiers and summer tourists. Business is consistently good, but "appetites are definitely bigger in winter," owner **Libby Helprin** has noticed. She has also observed that her customers are drinking less hard liquor and more wine; wine now makes up 75 percent of beverage orders.

Located in a quiet, pastoral setting, one-half mile from the busy road that leads from the village to the ski area, the lodge includes an 1840s farmhouse that has been added to over the years, two cottages, gardens, a pool and tennis courts. The main house has a homey look, thanks in part to family antiques brought from the home of the owners.

The food reflects the creativity of chef Jack Pickett. One night's menu may list a venison steak prepared with black plums and port wine, or rabbit and duck sausage with peach mustard.

[illegible]

Location: Philadelphia, PA
Association members: Leslie Smith, Jeannine Mermet
Operation: La Truffe
Profile: Fine-dining restaurant
In business: 18 years
Seats: 80
Meals served: Lunch, dinner

Located in the Society Hill section of Philadelphia, La Truffe is a cozy, romantic restaurant. The restaurant's French chef regularly includes game on the *prix-fixe* menu. A saddle of venison may be roasted in one piece and served like a chateaubriand, or sliced individually and served with a stock/wine sauce and juniper berries. Breast of pheasant is sliced off the bone and served with wild mushrooms and a light cream sauce. Squab and buffalo also appear on the menu from time to time. The game dishes are popular, owner **Leslie Smith** says, because people are becoming more health conscious.

[illegible]

Location: Baltimore, MD
Association members: Dominique D'Ermo, Herbert Erzrin, Henry Prati
Operation: Dominique's
Profile: Fine-dining restaurant
In business: 1 year
Seats: 325
Meals served: Dinner, lunch—only during the week

Although it's a relative newcomer to Baltimore's waterfront, Dominique's has already developed a regular clientele of native Baltimore citizens. These, in addition to conventioneers and tourists, have made the restaurant's first year a good one.

Two dining rooms on two floors contain pieces rescued from old Baltimore buildings. There is a chandelier from an old theater and large oak doors from a convent. The restaurant offers valet parking.

The menu is French and continental, with game dishes always a feature. Besides the popular roast quail served with a honey-vinegar sauce, favorite dishes are the alligator and rattlesnake salads. Both are mild-tasting meats, reports director of public relations **Claire Larson.**

[illegible]

Location: Kohler, WI
Association member: Aina Suthard
Operation: River Wildlife Lodge
Profile: Private club at resort
In business: 12 years
Seats: 270
Meals served: Lunch, dinner

River Wildlife is a private club in a wooded 800-acre preserve owned by the Kohler Company, maker of plumbing fixtures. Hunters, fishing enthusiasts, hikers and lovers of nature can lunch at the rustic lodge or dine there on Friday or Saturday nights. Thursday and Sunday nights are reserved for private parties, mostly given by corporations. Guests at the American Club, a hotel on the grounds, are entitled to guest privileges at the lodge, if they pay a daily membership fee.

Located in a bend in the Sheboygan River, three hours from Chicago, the lodge looks like a rambling log cabin. Its main floor contains a reception area, game tables, sofas for relaxing in front of a big fieldstone fireplace, a small dining room and a porch. The upstairs lofts contain the main dining area.

The menu is advertised as "countrified gourmet heartland cooking," with game from Wisconsin farms a regular feature. A pheasant breast stuffed with Wisconsin brie and Door County dried cherries, breaded with hazelnuts and served with a light wine sauce, is a summer favorite. In the fall, tastes run to venison stroganoff with wild mushrooms.

Manager **Aina Suthard** says sales in the first half of this year increased by 11 percent over last year.

5 EAST SOUTH CENTRAL

Location: Nashville, TN
Association members:
Pieter Hoonderd,
Manfred Moritz
Operation: Old Hickory
Profile: Hotel restaurant
In business: 212 years
Seats: 160
Meal served: Dinner

Conventions held year round and a surge of tourism in the summer make for good business at the Opryland Hotel and its fine-dining restaurant, Old Hickory. Nashville is known as the home of the country-music industry, but it's also home to a Nissan plant, religious-book publishing companies and Vanderbilt University and its medical center, as well as the Opryland theme park next door to the hotel.

Named for Andrew Jackson, the restaurant is decorated in the style of his nearby home, The Hermitage. Queen Anne chairs, an antique desk, Hermitage-replica wallpaper and portraits of the former President set the scene.

Seafood, veal, lamb and beef are constant menu items, with game dishes featured about once a week, beginning in the fall. Elk or buffalo filets with a wild mushroom sauce, quail stuffed with force meat, and vension served with a cherry or orange sauce are some of the specialties. Restaurant manager **Pieter Hoonderd** says that now that game is more available his restaurant serves it more often.

6 WEST NORTH CENTRAL

Location: Minneapolis, MN
Association members:
Bill and Kathy Kozlak
Operation: Jax Cafe
Profile: Fine-dining restaurant
In business: 56 years
Seats: 300
Meals served: Lunch, dinner, Sunday brunch

Jax Cafe is a Minneapolis institution, catering to all ages. When it was founded in the 1930s, it was part of a Polish community center; it accommodated 40 people and served a 9-oz. steak for 65 cents. Today it occupies the whole building, seats 300 and serves the same steak for $13.95.

"We've been here so long we're beyond the point of growing—you can't grow forever," says owner **Bill Kozlak.** "But our business is good and consistent."

Once a year, Jax offers a game dinner that features a variety of game prepared by chef Rick Enrico. The meal begins at the hors d'oeuvre buffet, where guests can choose among red-deer pie with marsala sauce, sliced leg of wild boar, rumaki made with smoked wild-boar bacon, sliced duck breast and jalapeno pepper, sliced saddle of antelope, trout and various terrines. At other times of the year, Jax will prepare game dinners for hunters who bring in their quarry.

7 WEST SOUTH CENTRAL

Location: Dallas, TX
Association members:
John Dayton, Stephan Pyles
Operation: Routh Street Cafe
Profile: Upscale restaurant
In business: 5 years
Seats: 70
Meal served: Dinner

The innovative Routh Street Cafe always has game on its menu. Chef/owner **Stephan Pyles** believes that if people eat beef in summer, then why not game—which is lower in calories, fat and cholesterol. Antelope and venison from the Texas Wild Game Cooperative are available all year round. But Pyles offers wild boar only in the winter, when he roasts or grills it and serves it with an apricot-bourbon sauce. Pheasant is another popular game dish at the cafe. Pyles blends stock with caramelized seasonal fruit to sauce smoked pheasant.

Business is always good, says Pyles, although it may experience a temporary slump when Dallas temperatures soar.

8 MOUNTAIN

Location: Dillon, CO
Association members:
Ann Peyton, Robert Miller, Douglas Pierce, Charles Taylor, Randy May
Operation: Green Room; Keystone Ranch
Profile: Two fine-dining restaurants in resort complex
In business: 17 years; 10 years
Seats: 104; 92
Meals served: Breakfast, dinner; lunch only in summer

The Keystone Lodge attracts families, business people and conventioneers to its location in the Rockies—76 miles west of Denver. During the top seasons of winter and summer, as many as 2,000 people stay at the resort. Twenty foodservice operations are part of the complex; the fine-dining Green Room and Keystone Ranch are two of the most popular.

The Green Room, overlooking a lake and the Continental Divide, has a garden-like atmosphere. The Keystone Ranch, on the other hand, is a restored ranch homestead that attracts diners with food appropriate to the Colorado wilderness. Game is one of the top sellers at both restaurants. The ranch serves such dishes as elk and venison medallions with red-currant and peppercorn sauces. At the Green Room, the elk medallions are flambeed at the table.

9 PACIFIC

Location: Portland, OR
Association members:
Jan Nemeth, Patrick McLaughlin
Operation: Esplanade
Profile: Fine-dining restaurant in hotel
In business: 4 years
Seats: 90
Meals served: Breakfast, lunch, dinner

Esplanade takes advantage of the Northwest's plethora of foods—from seafood to fruits and vegetables to wines, but new executive chef Patrick McLaughlin plans to add game to the menu for the fall and winter. A green-peppercorn sauce and a blackberry Cumberland sauce may grace a roasted breast of pheasant that has first been floured and seared to help retain its moisture. Or McLaughlin may serve the venison in a more classical way, with a sauce made from red wine, red-currant jelly and juniper berries.

Esplanade is located on the main floor of the RiverPlace Alexis Hotel in downtown Portland.

Something to crow about

Zehnder's of Frankenmuth restaurant in Frankenmuth, Michigan, came up with the perfect way to crow about its state spirit—by sponsoring a rooster-crowing contest at the Michigan State Fair held in August. Executive vice president Al Zehnder reasoned that the contest was appropriate, considering that 75 percent of the operation's sales can be attributed to chicken dinners.

The contest attracted 30 roosters from barnyards throughout the state. They crowed their hearts out during 10-minute heats in an effort to win first prize for their owners—a weekend at Zehnder's Bavarian Haus Motel. The right to claim the championship title came down to a "crow-off" between two roosters; each crowed 18 times in the 10-minute time allotment. Hippity from Lake Orion crowed four times to defeat Elvis of Pinckney, during the final five-minute heat.

No word yet on whether Hippity will be joining his owner for her weekend getaway at Zehnder's.

—Anthony M. Franco, Inc.

A different kind of bug problem

This past spring Counsellors Row Restaurant and Lounge had a "bug" problem that called for more than an exterminator. While cleaning a booth one day, a busboy discovered a tiny video camera that the FBI had planted in the restaurant—a popular meeting place for Chicago lawyers, government officials and politicians—as part of an investigation of alleged corruption in one of the city's wards. The FBI was forced to remove the surveillance equipment, which included phone taps.

The incident attracted curious crowds interested in viewing Table One, where the taping took place. The restaurant got into the spirit by featuring a special hamburger—"The Lawbreaker."

—The Washington Times and *USA Today*

Shopping for data

That candy bar you buy today could determine what junk mail you get next week. That example may seem a bit far-fetched, but sophisticated "discount-for-data" programs are starting to gain attention in the marketing world. It works like this. Consumers join frequent-shopper programs in their neighborhood markets that allow them to save on their grocery bills.

These programs are intended to foster loyalty among customers, but they also serve another purpose. Members agree to let the supermarket computers compile information about their buying habits—an easy enough task considering the sophisticated electronic scanners that record every purchase. This information is then sold to manufacturers who are eager to find target markets. For example, a manufacturer of baby food could find a target audience by getting a list of shoppers who bought diapers.

Frequent-shopper programs are increasing in number; and large manufacturers, such as Procter & Gamble, Campbell's Soups, Del Monte and General Foods, are participating in the data-accumulation/marketing projects with grocery stores across the country.

—Wall Street Journal

Death and taxes—and dinner

Politics can be a risky business. Just ask state senate candidate Manville Powell—the unfortunate murder victim in the drama *Death and Taxes*, which is played out nightly at Cavanaugh's restaurant in Philadelphia. David Goldstein, Mystery Cafe's creator, figured that putting murder on the menu would be a sure way to get the audience involved in the show. In this innovative form of dinner-theater, the audience gets to participate in the action, helping to unmask the murderer at a campaign dinner. Actors play the candidate, his wife, his mother, several suspicious staff members and a police detective. The waiters are actors, too, and the entire dining room is the stage.

Death and Taxes has also played in Boston; Dallas; and Shrewsbury, Massachusetts; and Goldberg would like to bring the show to Tampa, Sacramento, Baltimore and Washington DC.

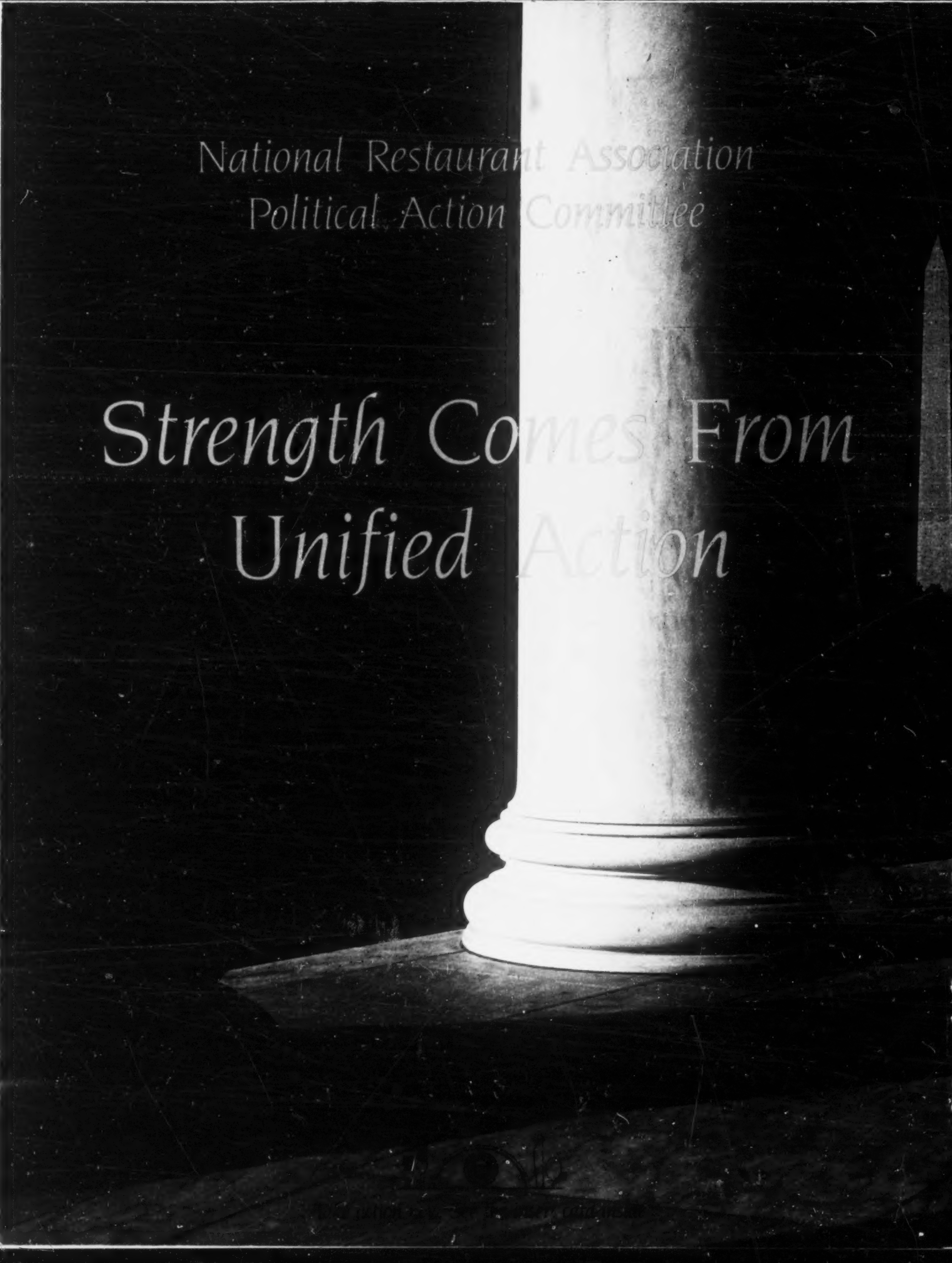
—The Philadelphia Inquirer

It's all in the family

An increasing number of studies are indicating that companies will have to address their employees' family needs if they are going to keep them on board. A study by Robert Half International, a recruiting company headquartered in San Francisco, found that nearly eight out of 10 men and women would sacrifice rapid career advancement in order to spend more time with their families.

The survey asked 1,000 U.S. workers to choose between two career paths—one that would allow them to spend more free time with their families but would offer slower advancement, and one that would curtail family time but which would allow for rapid advancement. Seventy-four percent of the men and 82 percent of the women opted for the slower "parent track." Two out of three participants indicated that they would be willing to reduce their work hours and salaries for more family time.

—Robert Half International



National Restaurant Association
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